Gross National Happiness: lessons for sustainability leadership

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Abstract

Purpose – The purpose of this paper is to look behind the veil of the concept of Gross National Happiness (GNH), which has been initiated by the fourth King of Bhutan as an alternative to the traditional development concept of gross national product, by analyzing it as an expression of a particular view of leadership originated in the philosophical tradition of Mahayana Buddhism and exploring its relevance for leadership of sustainable development and sustainable (business) organizations.

Design/methodology/approach – Review of literature on GNH in a historical and current context, linking it to trends and concepts in sustainability and leadership. Complemented by author’s observations on regular visits to Bhutan since 2003.

Findings – The GNH leadership view consists of a set of principles: first, interrelatedness of economy, society and eco-systems; second, the economy, society and eco-systems can flourish if their needs are served; third, governance is the agent for serving these needs by the creation of societal happiness; and fourth, societal happiness should include the enhancement of subjective happiness and well-being of people. By tracing these principles to the philosophy of Mahayana Buddhism, especially the Bodhisattva ideal, and comparing them to the principles driving sustainability, the paper argues that GNH leadership signifies an innovation in leadership for sustainability.

Practical implications – This paper examines how GNH leadership can be applied to organizational and business sustainability, and how it contributes to the emerging theory and practice of sustainability leadership.

Social implications – The social relevance of the paper lies in the examination of how GNH leadership can be applied to organizational and business sustainability, and how it contributes to the emerging theory and practice of sustainability leadership.

Originality/value – The paper concludes that GNH leadership – as it corresponds to the principles driving sustainability – represents a new model for sustainability leadership.

Keywords Transformational leadership, Sustainable development, Leadership practice, Gross National Happiness, Sustainable business, Sustainable value creation

Paper type Research paper

Introduction

The concept of Gross National Happiness (GNH) was first expressed in 1972 by the fourth King of Bhutan, Jigme Singye Wangchuk, in response to western economists visiting his country who said that they regarded Bhutan to be a “poor” country when measured in terms of its gross domestic product (GDP) (Ura and Galay, 2004). While acknowledging that Bhutan may score low on the scale of conventional indicators for a nation’s economic performance, he claimed that his secluded nation in the Himalayas would score high on an indicator measuring happiness. Indeed, according to a global study on subjective well-being conducted in 2007, Bhutan ranked eighth out of 178 countries (White, 2007). In fact, according to this study Bhutan is the only country in the top 20 “happiest” countries that has a very low GDP. In 2004 Bhutan started working on operationalizing the GNH concept (Ura and Galay, 2004) and by
2008 Bhutan had developed its own GNH index based on a country-wide survey (Ura et al., 2012).

Meanwhile, the idea of GNH has gained immense popularity internationally as an alternative development philosophy. In 2010, Ben Bernanke, Chairman of the Federal Reserve, said in a public speech that the next level in economics is to create new measurement models that capture happiness as the purpose of economics, and that we should learn from Bhutan’s Gross National Happiness index (Bernanke, 2010). In 2012, at the initiative of Bhutan, the General Assembly of the UN even made the conscious pursuit of happiness a fundamental human goal in the resolution “Happiness: towards a holistic approach to development” (United Nations, 2012). UN Secretary General Ban Ki-moon stated, “GNP has long been the yardstick by which economies and politicians have been measured. Yet it fails to take into account the social and environmental costs of so-called progress. We need a new economic paradigm that recognizes the parity between the three pillars of sustainable development. Social, economic and environmental well-being are indivisible” (Ban Ki-moon, 2012).

This conceptual paper will look behind the veil of the GNH concept’s growing popularity. It will review the background, development and status of the GNH notion. It also explores how it can be regarded an expression of a type of leadership – “GNH leadership” – that holds relevance for leadership in a world facing a sustainability crisis. Moreover, the paper investigates the explicit and implicit features of GNH leadership and relates it to the context of sustainable development, thus contributing to the emergent field of sustainability leadership (Schein, 2015; Tideman et al., 2013). In the context of this paper, sustainability leadership is defined as the leadership that occurs when organizations progress in levels of complexity by serving the needs of its various stakeholders and in doing so create sustainable value, that is integrated economic, societal and environmental value, or “triple value.”

The remainder of the study is structured as follows: In the next section, the GNH approach in Bhutan is described, looking at the current status, the limitation and innovative aspects of GNH. Then, the paper explores the philosophical roots of GNH leadership, which is based in the ancient tradition Buddhism that still prevails in Bhutan. Subsequently, the paper deals with the lessons that GNH leadership hold for sustainability in (business) organizations and sustainability leadership theory and practice. The focus is on business sustainability as it is here that the application of leadership is considered most feasible and immediate. Finally, the conclusion contains the main findings of the paper.

The GNH approach in Bhutan

Development of GNH

In contrast to the ambitious international policy statements inspired by the GNH concept, the concept was introduced rather modestly and gradually in Bhutan through a series of domestic and international conferences and meetings, with the contribution of international scholars and researchers, starting with a first publication in 1999 (Galay, 1999) and a first conference held in Bhutan in 2004 (Bakshi, 2005; Ura and Galay, 2004), for which this author served as international coordinator. In the first publication, GNH was understood as containing four different aspects: first, good governance; second, sustainable socio-economic development; third, preservation and promotion of culture; and fourth, environmental conservation (Galay, 1999). By 2008, these four pillars were further refined into nine domains, which articulated the different
elements of GNH in greater detail and formed the basis of GNH measurements, indices and screening tools:

(1) good governance;
(2) living standards;
(3) community vitality;
(4) education;
(5) time use;
(6) psychological well-being;
(7) cultural resilience;
(8) health; and
(9) environment.

These nine pillars demonstrate that many inter-related factors are considered to be important in creating the conditions for happiness in the perspective of GNH. For example, GNH counts traditional economic factors such as the importance of material security and equitable living standards but extends that to other social-cultural and environmental factors that are typically excluded from GDP measurements (Helliwell et al., 2012).

In this regard, GNH responds to the widespread criticism of GDP as a flawed measure of development. GDP only measures marketed economic activity and does not distinguish between those activities that create well-being and those that signify a decline in well-being. For example, more crime, more sickness, more pollution and more disasters, all add up as part of the GDP measurement, because they increase market activity in the economy. In fact, the destruction of our natural environment to feed market demand shows up as economic progress. The GDP measurement also excludes activities that enhance well-being but are outside the market, such as parenting and voluntary work (Hayward and Colman, 2012). The GNH index takes a different approach. The balance between material and non-material development, the inclusion of subjective measures representing mental, emotional and communal well-being as an expression of culture, the multi-dimensional and interdependent nature of GNH factors are key features that distinguish the GNH index from GDP measurements as an indication of a country’s progress (GNH Centre, 2015; Helliwell et al., 2012).

In accordance with the nine pillars of the GNH index, Bhutan has developed 38 sub-indexes, 72 indicators and 151 variables that are used to define and analyze the happiness of the Bhutanese people. These pillars formed the basis of the GNH index, which comprises data gathered from nation-wide surveys, of which two have been conducted to date (Ura et al., 2012). In 2008, GNH was made part and parcel of Bhutanese policy making when it was enshrined in the Constitution of 2008: “[…] if the Government cannot create happiness for its people, there is no purpose for the Government to exist.” (Ura et al., 2012). The State Planning Commission was renamed into the Gross National Happiness Commission and was charged with reviewing policy decisions and allocation of resources in accordance with the GNH philosophy. In order to ensure continuity of the GNH philosophy and spread local and international awareness, the GNH Centre was set up as an independent NGO. In a similar spirit, the Bhutanese government, with the help of 71 leading international scholars, published a report “Happiness: toward a new development paradigm,” which proposed a policy framework for creating societal
happiness worldwide (NDP Steering Committee, 2013). The purpose of this work is mainly external: it is the follow up of the UN resolution on happiness in 2012 with the aim of incorporating the goal of societal happiness into the UN Sustainable Development Goals. The present king, Jigme Khesar Namgyel Wangchuck has followed in the footsteps of his father by repeatedly lending support to the GNH concept: “Today GNH has come to mean so many things to so many people, but to me it signifies simply – development with values. Thus for my nation today GNH is the bridge between the fundamental values of kindness, equality and humanity and the necessary pursuit of economic growth. GNH acts as our National Conscience guiding us towards making wise decisions for a better future” (GNH Centre, 2015, p. 2). All these developments have caused GNH to become a variety of activities: the nation’s socio-economic development framework, a policy screening tool, an index and an educational awareness-raising process both in Bhutan and in the wider world. However, in the process of operationalizing GNH, the Bhutanese government had to make decisions that have been subjected to criticism both from inside and outside the country.

**Limitations of the GNH concept in Bhutan**

While many considered GNH an inspirational development philosophy, the implementation of a GNH policy was challenging because like many psychological and social indicators, GNH is somewhat easier to describe qualitatively than to define with mathematical precision (Mancall, 2004; Ura et al., 2012). For many years after being first promoted by the king, the GNH concept struggled to be accepted by policy makers and economists outside Bhutan due to the subjective nature of happiness, the lack of a policy implementation framework, and an economic measurement system (Bakshi, 2005; GNH Centre, 2015). Although there were some ad hoc and independent surveys that attempted to measure the happiness or life satisfaction as a subjective score, there was no exact quantitative definition of GNH in Bhutan up to 2008 (GNH Centre, 2015; Helliwell et al., 2012).

GNH was particularly critiqued by some western scholars because of its subjective nature, which they believed would enable the government of Bhutan to use GNH as a screen to cover up obvious shortcomings in governance and policy, such as the eviction of Nepalese minorities from the country (McCloskey, 2012). Another critique was that GNH’s subjective approach hinders international comparisons. In contrast, GDP measurements provide a convenient international scale that can be applied in all countries. This coincided with a shift in Bhutan by the new administration that took office in 2013 from spreading GNH globally to improving the well-being of people within Bhutan, especially their economic well-being (Tobgay, 2013). A spokesperson of the GNH commission explained this in an interview with the author, “GNH is a great ideology, but it is expensive to sustain. We should be concerned that we have enough national income to sustain the policies and measures to implement GNH”[1]. He referred to the reality that Bhutan remains an economically underdeveloped country which source of income is largely constricted to agriculture, tourism and hydro-power, while it is moreover highly dependent on trade with and aid from its powerful neighbor India (Mancall, 2004).

This illustrates the tension that existed between GNH and GDP from the very beginning: can GNH be used as indicator for happiness when GDP and other economic indicators are not fully integrated into GNH? Socio-economic factors make up the pillar of “Living Standards” within the GNH concept, but to what degree does this represent the integration between GNH and GDP? For example, what is the GNH
rationale behind the controversial policies to construct hydro-power plants for the delivery of energy to India? In the GNH ideology, can foreign currency ever make up for the loss of environmental value caused by the construction and exploitation of hydro-power? Likewise, there are concerns about the influx of traders and construction workers from India and the mushrooming of hotels and guesthouses for tourists, as a direct result of promoting the tourism industry (Desmet, 2013). These questions illustrate the vulnerability of the GNH concept in Bhutan: policies that are aimed at GDP but that have side-effects in terms of GNH, can remain unaccounted for in the GNH index. In other words, economic policies that are not positively correlated to the GNH index may still be implemented in the name of national income generation. It is this unresolved tension between “hard” economic needs vs “soft” sustainable development needs that has preempted the realization of sustainability goals in many western countries (Gilding, 2011; Sachs, 2015). In this author’s assessment, this tension can lead to rendering the GNH index in Bhutan irrelevant for policy making.

The above review of the current status and limitations of GNH demonstrates that GNH policy and the GNH index are “work in progress.” It can be concluded that at the very least GNH is an innovative approach to national policy making for sustainable development, from which lessons can be drawn pertaining to many aspects of sustainability, especially – as the paper shall discuss – leadership for sustainability. In order to do this, the paper first needs to place the GNH concept in the context of the pursuit of sustainable development worldwide.

Innovative nature of GNH

The development of GNH comes at a time that the contemporary world faces a growing threat of ecological collapse due to climate change, eco-system loss and rapidly depleting natural resources, while concerns about persistent social issues such as poverty, inequality, exclusion, corruption, human rights abuses and pandemics are rising. In this context, ever since the introduction of the concept sustainable development (Brundtland, 1987), we have seen attempts to capture the performance of nations and companies in new frames, models and indicators, starting with concepts such as the UN Development index and the Triple Bottom Line concept (Elkington, 1997; Epstein, 2014). What these frames have in common is that they go beyond measuring economic performance in merely financial terms, but instead advocate measuring a broader concept of value, generally comprising the social, ecological and economic dimension of value, or “triple value” (Épstein, 2014; Sachs, 2015). On a global scale, this trend is now being expressed in objectives such as UN Sustainable Development Goals (Helliwell et al., 2012; UN Sustainable Development Knowledge Platform, 2016).

The triple value concept corresponds largely to the concept of GNH. The GNH pillars of socio-economic development, environmental conservation and cultural preservation can be covered by definitions of economic, environmental and societal value, respectively. Thus, in the author’s view, GNH reflects the global trend to expand the notion of value from a singular to a triple dimension.

However, upon close scrutiny of GNH and its various expression in Bhutan, GNH goes a few steps further than the common understanding of sustainable development. In a recent report the Government of Bhutan underpins GNH by a framework based on a set of principles called new development paradigm (NDP Steering Committee, 2013). These principles appear to present a number of distinct innovations to the
understanding of sustainable development as defined by triple value. This paper sums them up as four innovative principles:

(1) GNH takes a holistic view on sustainable development by seeing ecology, society and economy as mutually interdependent and by assigning different levels of importance to them given different levels of interdependency. Without environmental preservation and respecting planetary boundaries, there cannot be a healthy society and without a healthy society, there cannot be a sustainable economy. This goes beyond the CSR concept of Triple Bottom Line or “Triple P,” which considers people, planet or prosperity equal. Therefore, in the GNH view, planet (the environmental dimension) takes precedence over people (society), and people over profit (economy).

(2) GNH is based on the recognition that all stakeholders that make up the economy, society and eco-system (the first three pillars of GNH) have specific needs that can be met. It is in the serving and balancing of those needs that sustainable value is generated. GNH thus deviates from the notion that humanity is locked into an inevitable conflict with nature, with his insatiable wants outstripping the supply of scarce resources, and instead more optimistically assumes the possibility of harmonious co-existence of mankind and nature.

(3) GNH adds a fourth dimension to economic, social and environmental value: governance. This includes items such as political participation, institutional trust, and government service effectiveness. The inclusion of good governance as fourth pillar indicates the important role of balancing the three other pillars given their different levels of interdependency. In this paper the dimension of governance will be nuanced and discussed as a particular type of leadership.

(4) GNH defines as its overarching goal the pursuit of societal happiness. Not merely in objectively ascertained material terms, or “outer” happiness, but also in the subjective experience of citizens, or “inner” happiness. Most striking is the inclusion of emotional balance, mental health and spiritual participation (which in turn includes items such as reflection time, participating in activity such as prayers), which in Bhutan are seen as expression of culture. It underscores the importance of training people in happiness and mind-training skills as prerequisite for experiencing genuine health and making them co-responsible for realizing this experience (Helliwell et al., 2012).

These four principles are inter-related. The holistic worldview establishes a number of critical interdependencies for collective well-being. The largest context is that of healthy eco-systems, which provides the ultimate basis for societies and economies to flourish. However, without flourishing societies it would be difficult to create economies that prosper, so the societal context provides the basis for the economy. Governance and leadership at collective and individual levels should balance these three dimensions (Senge 2008; Ura and Galay 2004).

The government’s role is to provide the interconnected conditions for its population to achieve the various levels and dimensions of happiness – material (outer) and non-material (inner). Outer happiness without inner happiness is not considered sufficient for obtaining true societal well-being, so both are needed. The goal of societal happiness is made the joint responsibility of the government and the population. Citizens are regarded as both co-creators and the beneficiaries of GNH, as evidenced by factors that require the active participation of people and communities (Bakshi, 2005; Ura and
Galay, 2004). For example, the GNH index tracks the degree of taking part in happiness skill training as a mean to achieving personal resilience and happiness, while also stressing the necessity of good governance at a national level, for ensuring the conditions that are conducive for happiness-training of the population (Ura et al., 2012).

The holistic worldview and the role of governance is illustrated in Figure 1.

This paper argues that the GNH concept’s four principles imply and represent a type of leadership that goes beyond conventional leadership definitions. Even though there is no explicit mention of leadership in the GNH pillars and the GNH index, the central role of governance and the various tasks assigned to it such as serving the needs of stakeholders and engaging people in cultivating happiness can be regarded as elements of leadership. It is a type of leadership that bears correspondence with the emerging academic field that brings together sustainability with leadership psychology (Metcalf and Benn, 2013; Schein, 2015; Tideman et al., 2013).

In order to fully understand the features of the leadership model behind the four principles of GNH, which in this paper is defined as GNH leadership, it is necessary to explore the roots of GNH in more detail. While GNH is founded on the empirical research literature of happiness, positive psychology and well-being (Kahneman et al., 1999; Ura et al., 2012), the Bhutanese make no secret of attributing the overall concept of GNH to Buddhist philosophy (Desmet, 2013; Phuntshok, 2013; Ura et al., 2012). Even though the view that the role of government is to provide the conditions for societal happiness is not distinctly Buddhist (see, e.g. the inclusion of the “pursuit of happiness” in the US constitution, and Aristotle’s idea of the state cultivating “eudemonia” or authentic happiness), the extent to which Bhutanese leadership has taken up the pursuit of genuine happiness of society is unique to the tradition of Mahayana Buddhism to which Bhutan belongs (Phuntshok, 2013). In other words, while this type

![Figure 1. GNH worldview](source: The author’s own elaboration based on the GNH concept)
of leadership may be regarded as new in the context of sustainable development, it is rooted in an ancient philosophical tradition. The understanding of this tradition will help to determine the scope and attributes of GNH leadership, before its application to sustainability is investigated.

The roots of GNH leadership in Buddhist philosophy

The prospect of outer and inner happiness

Buddhism is based on the teachings of Gautama Buddha who lived 2,500 years ago in ancient India. His key teaching was that suffering is caused by the mistaken way we perceive the world around us and ourselves, causing attachment and aversion (Conze, 1958; Harvey, 1990). Because things appear to us through our senses as if they have the power to provide us lasting happiness and comfort, we become attached to them and crave to have more of them. Conversely, these sense objects can appear to us as unpleasant or as threatening which causes aversion and hatred. But this craving and aversion are a result of ignorance about reality. The reality of things is that they are transient and impermanent and therefore cannot produce the lasting happiness or pain that we hope or fear from them (Khyentse, 1993; Wallace, 1993).

Buddha made clear that real happiness does not come from acquiring or consuming (or pushing away) material things. Happiness is a state of mind resulting from inner mental causes, not from external material causes (Harvey, 1990; Khyentse, 1993; Ricard, 2006). Thus, Buddhism considers the path of mental or spiritual development more reliable and effective than that of material development. What really matters is to mentally detach oneself from matter, and strive for a state of what is called “liberation” from personal suffering (stressed in the Theravadin tradition of South Asia (Conze, 1958), or “enlightenment,” which is considered the ultimate state of happiness and fulfillment and includes an orientation toward the happiness of beings (stressed in the Mahayana tradition of Central, North and East Asia (The Dalai Lama, 2002). These high states are achieved by the cultivation of one’s mind which along with enhanced well-being for oneself brings about a range of positive qualities such as kindness, compassion, tolerance and wisdom which give us the capacity to be of benefit for others (Harvey, 1990; Khyentse, 1993; Wallace, 1993).

It is important to note that Buddhism does not reject matter and wealth as inherently evil, but considers them useful (Payutto, 1992). First, material wealth provides us with conditions that are conducive to spiritual practice and, second, it allows us to practice generosity, which causes “merit” or positive karma, and ultimately a happier society for all. Among the eight main requirements of the Buddha’s path, the Noble Eightfold Path (Conze, 1958), is the practice of right livelihood, which has been defined as follows: “One should abstain from making one’s living through a profession that brings harm to others, such as trading in arms and lethal weapons, intoxicating drinks, poisons, killing animals, cheating, etc., and one should live by a profession which is honorable, blameless and innocent of harm to others” (Payutto, 1992, p. 35).

Right livelihood is based on right view, also referred to as wisdom, which is the antidote to ignorance or a mistaken view of reality. Wisdom is the correct understanding of how the phenomenological world exists and operates, namely as an interconnected system. Because of the interconnected nature of reality, there cannot be a separate thing called the “self” that exists independently from others and from nature (Loizzo, 2006; Wallace, 1993). It is this illusory sense of self on which people generally place all their hopes and fears, which causes them to revolve in an endless cycle of suffering, known as “samsara.”
Right view/wisdom, therefore, is concerned with discovering the true interconnected and “selfless” nature of all phenomena. It is this insight that liberates people from samsara into “nirvana” (Khyentse, 1993; Wallace, 1993).

The phenomenal world encompasses all phenomena, both inner and outer phenomena. Thus, by definition, right view/wisdom includes a perspective on the outer world of government, society and economics. The Mahayana (or Northern) tradition of Buddhism that is followed in Bhutan in particular emphasizes the fundamental interconnectedness of humanity – we are intrinsically connected to each other and to nature (The Dalai Lama, 2002; Khyentse, 1993). Given this inter-related and interdependent nature of reality, Buddhists are concerned with the world around them; you cannot work on developing your own minds while not trying to find ways to diminish suffering in the outside world, even if this seems remote and difficult to change (The Dalai Lama, 2002; Wallace, 1993). Thus, Buddhism provides a philosophical framework for creating happiness for society at large. This is indeed what a number of modern scholars has attempted to do by applying Buddhist views on contemporary worldly issues including economics, politics and sustainability (The Dalai Lama and van den Muyzenberg, 2009; Payutto, 1992; Schumacher, 1973; Thurman, 1997; Tideman, 2011).

**Leadership as agent for societal happiness**

Ever since the time of the Buddha, it has been common for emperors, kings and merchants to attempt implementing Buddhist principles in government and economics. Just as the Buddha had not rejected wealth, so did he not reject power as a useful means to create conditions for societal happiness (Payutto, 1992; Thurman, 1997).

The first well-known case of a leader to embrace Buddhism was King Ashoka in around 260 BCE, who was ruling over northern India. After a series of violent conquests, he became repentant about his deeds of violence and he turned to Buddha’s teachings. He commemorated his change of mind by erecting pillars all around the empire, which would be a remarkable source of inspiration for future generations (Conze, 1958; Harvey, 1990). He promoted the Buddhist practice of conquering the “inner” enemy, by transforming hatred and fighting into compassion and non-violence. As a result, under his rule, Buddhism was granted an official status as an educational and religious institution. The purpose of the empire thus became to promote the practice of Dharma – the path of mind transformation. In this way, as Thurman (1997) phrased it (p. 109), “Ashoka transformed military imperialism of the outer world into compassionate imperialism of the inner world, the human mind.”

Ashoka’s ethic has permeated Indian politics ever since. It is no accident that Mahatma Gandhi, the modern father of non-violence in politics, chose Ashoka’s lion pillar, surmounted by the Wheel of Dharma, as the symbol on the flag of the newly independent India (Nikam and McKeown, 1974).

The next example of Buddhist-inspired leadership arose out of a teaching by the second century Buddhist saint/scholar Nagarjuna known as “Jewel Garland of Royal Counsel” (Nagarjuna, 2007). He gave this teaching to King Udiya Shatavahana, who ruled an area of southern India (ca 150-200 CE). Nagarjuna instructed the king in what he needed to know for his own personal development toward liberation and enlightenment. Nagarjuna then advised King Udiyana on the basic principle of enlightened social action, the altruism of great love and great empathy. “O king! Just as you love to consider what to do to help yourself, so should you love to consider what to do to help others” (Thurman, 1997, p. 167). He taught the king to look at his subjects like children, including prisoners to be corrected so that they could return to society
and fulfill their opportunity for enlightenment. King Udiyana was able to implement the principles of enlightened politics in his kingdom more completely than Ashoka, because of the instructions on mind-training, wisdom and compassion. In the Buddhist Mahayana tradition this is known as the ideal of the Bodhisattva, one who aspires toward enlightenment for all living beings (The Dalai Lama, 2002).

Nagarjuna emphasizes that the only way to bring society to enlightenment, is that when the leader lives a life in mind-training for enlightenment of him/herself (Loizzo, 2006, 2012). The ultimate aim of ruling society is to give people in society the opportunity to develop their own mental qualities up to full enlightenment. More than two third of the Jewel Garland contains personal instructions on wisdom – understanding the reality of selflessness and interdependence, which holds the key to becoming a Bodhisattva engaged in altruistic action (Thurman, 1997).

By combining the insight into the nature of the self with compassion and social action, Nagarjuna added a new dimension not only to the evolution of Buddhism but to the unfolding of Indian society itself. Inspiration from the Jewel Garland created the basis for subsequent empires in India, run by the Gupta dynasty (Jones, 2014). It became an era of great religious tolerance, ethnic harmony, wealthy cities, powerful monasteries, prosperity and peace. This era of peace lasted for many centuries almost up to the end of the first millennium (Jayapalan, 2001).

A next defining Buddhist scripture arose in the eighth century: The *Bodhisattvacaryavatara – A Guide to the Bodhisattva Way of Life* – written by Indian Buddhist monk Shantideva (Shantideva, 1997). This is perhaps the most widely read and cited text in Mahayana Buddhism. Its outline is built on the six perfections: generosity, ethics, patience, effort, concentration and wisdom. By emphasizing the importance of overcoming one’s negative emotions by conquering self-grasping and transforming the mind into compassion, this work strengthened the ideal of the Bodhisattva as an “inner warrior” (Trungpa, 1984). In essence, the Bodhisattva warrior is committed to conquering the negative emotions and developing positive qualities, by fighting the inner enemy of ignorance, selfishness, greed and anger, rather than any outer enemies. However, rather than merely renouncing the outer world, Bodhisattva-warriors often intentionally took on roles in the outer world as statesmen, teachers, artists and writers, which allowed them to serve others while simultaneously engaging in an inner practice to transform their own mind (Khyentse, 1993; Loizzo, 2006, 2012).

The Mahayana Buddhist tradition distinguishes two paths toward enlightenment: a gradual and speedy path. The gradual path is based on the Buddhist sutra’s and may take many lifetimes to result into full enlightenment. The fast path is based on the Buddhist tantra’s, which can be practiced by practitioners in the context of a strong connection with and faith in their master. A central feature of tantra practice is the usage of imagination and creativity (Hopkins, 1984; Loizzo, 2012). Negative emotions are transformed through the visualization of Buddhist deities and images. A common meditational form is that of a deity in classical royal attire, through which the meditator can cultivate his innate power to transform his mind, in analogy to a king who can transform society through the power that he wields (Trungpa, 1984). Buddhist tantric teachings were in fact first taught to kings and leaders in order to suit their potential for creating social benefit while remaining in a position of power (Hopkins, 1984; Mullin, 2001).

*The Buddhist leadership tradition is present in Asia up to today*

From India the ideals and practices of the Bodhisattva leader first spread to China and East Asia, and later in several transmissions to the Tibetan plateau and the Himalayas,
including Bhutan (Harvey, 1990). In the eleventh century, when Buddhism disappeared from India, the Mahayana Buddhist teachings were transplanted and preserved in Tibet, from where it spread to Bhutan. This took especially form after the political unification of Tibet under the leadership of a monk/philosopher, the fifth Dalai Lama (seventeenth century), when the monastic academy was entrusted with both spiritual and worldly powers (Mullin, 2001). Tibetan monasteries became powerful institutions in shaping society up to the twentieth century when the invading Chinese communist regime dismantled them (Loizzo, 2006, 2012). The political and religious institutions in modern day Bhutan and the Indian Himalayas, which modeled themselves on the Tibetan monasteries, have however survived up to the present day, where they continue to be a pivotal instrument for the creation of Bodhisattva leaders and cultures for societal happiness (Harvey, 1990; Phuntshok 2013). In fact, Bhutan has been prophesized by the eighth century Buddhist master Padmasambhava, who introduced Buddhism to the Himalayas and the Tibetan plateau, as safe custodian of the Buddhist tradition to survive in times of global crises (Galay, 1999; Phuntshok, 2013) and when Bhutan was established as unified nation in the seventeenth century by Zhabdrung, it was explicitly rooted on Buddhist ideals (Mancall, 2004).

This historic overview shows that in the Buddhist tradition the creation of societal happiness and leadership went hand in hand. Many Asian leaders have modeled themselves on the Bodhisattva warrior, which according to historians have provided an alternative to feudal and class leadership orthodoxies that were traditionally locked in military warfare and power struggles (Loizzo, 2006; Thurman, 1997). They were perhaps the first role models of “sustainability leadership” as they created sustainable value for the people that they ruled. By manifesting GNH, the fourth king of Bhutan, Jigme Singye Wangchuk and subsequent Bhutanese leaders have continued the tradition of Buddhist leadership until today (Mancall, 2004; Phuntshok, 2013).

Implications for sustainability leadership

A shift in paradigm

This historic overview demonstrates that leadership is a central component of Buddhism and that the ideal of the Bodhisattva can be translated into a model of leadership, which corresponds to GNH leadership. In fact, I argue that leadership in the Buddhist context is firmly rooted on a number of principles, which are similar to the four principles behind GNH.

First, the interconnectedness of all that lives (GNH principle 1), the recognition of which makes selfishness futile and self-deceiving. Because Buddhism has shown the prospect of lasting inner happiness by cultivating one’s capacity for wisdom and altruism, the Buddhist leader knows that his own happiness is best served by serving the happiness of others. Since everything is interconnected, altruistically serving the needs of others can be regarded as enlightened self-interest in that it is the path to genuine (inner and outer) wellbeing and happiness for everyone including oneself (GNH principle 2). From this it follows that Buddhist societies such as Bhutan have sought to create leaders in religious institutions who are equipped to altruistically serve others and thus foster a culture for societal happiness. These leaders were placed in powerful (religious) institutions in order to assure that governance contributed to the goal of societal well-being (GNH principle 3). Since in Buddhism the notion of fundamental interconnectedness and overcoming selfishness are means for experiencing inner happiness, the attainment of subjective well-being is considered the overarching objective of leadership (GNH principle 4).
The review also reveals that GNH leadership could be defined in terms of distinct attributes corresponding to those of the Bodhisattva. In general, these attributes are compassion and wisdom; more specifically they can be defined as the six perfections of generosity, ethics, patience, effort, concentration and wisdom. These attributes make the leader perfectly suited to commit to creating societal happiness and well-being. The metaphor of the leader as “warrior” seems suitable for taking on this task in spite of complex challenges. Most significantly, since GNH leadership is so explicitly rooted in the principle of interconnectedness, it can serve as model for any type of leadership that has to deal with complex interconnected challenges.

Before exploring what this means for sustainability, it is important to note that this paradigm contrasts starkly with the premise of classical (and neoliberal) economic thinking, in which people are viewed as individual agents who make their own rational choices for maximal personal gain in an anonymous market and who are pitted competitively against each other and nature – the premise of the homo-economicus (Gintis, 2000). However, it is exactly this premise – which still dominates much of economic thinking today – that has been challenged by research in various disciplines, most notably the field of behavioral-economics and neuro-economics (Gowdy, 2009; Kahneman, 1979). From these fields a more positive image of mankind is emerging, indicating that human beings are wired toward pro-social behavior and capable of transforming themselves and their circumstances into the creation of sustainable value and well-being in harmony with each other and with the natural environment (Siegel, 2009; Singer, 2001/2009; Singer and Ricard, 2015).

In the subsequent section, the paper explores what GNH leadership has to offer to the field of sustainability. Sustainability is a complex phenomenon occurring at many levels of organization, ranging from macro-, meso- to micro-levels (Metcalf and Benn, 2013). GNH obviously has implications for the understanding of leadership on a national or macro-level. For example, in the field of national policy making for sustainable development and domains such as national accounting, where it already inspired a wide range of initiatives in the world, usually at academic and local administrative levels (GNH Centre, 2015). Since changes at national levels, such as introducing a new system of national accounting, are very difficult to realize, thus far Bhutan is the only country where GNH has been applied on a national level. In exploring its relevance for sustainability leadership, this discussion will give special attention to the dimension of leadership of organizations (the micro-level), especially business organizations, as it is considered to be here that GNH leadership can be applied most directly and easily and sustainable value can be created most effectively.

The paper will first explore the parallels between the principles behind sustainability as it has been evolving in organizations and the principles behind GNH.

*Sustainability in (business) organizations*
Sustainable development was originally conceived from a macro-level perspective for (inter)national policy making (Brundtland, 1987). Soon, it expanded into business sustainability (the micro-level), as companies and their stakeholders recognized that they had a role to play in transitioning to a more sustainable world. Later it was applied to more diffuse sustainability “transitions,” for example of industries and value/supply chains (the meso-level).

Business sustainability has evolved in stages, from the early days in the 1990s when CSR emerged as main concept, often equated with reputation management and philanthropy (Laszlo and Zhexembayeva, 2011; Porter and Kramer, 2006, 2011;
van Tulder et al., 2014), to a more integrated approach, where sustainability and CSR are regarded as a function of core business, without which the company could incur unexpected financial and societal risks and comprise its societal license to operate. Recently, leading companies have started to view sustainability as a means for competitive advantage, allowing them to recognize societal issues and translate them into business opportunities, which can be regarded as the next phase in sustainable business (Porter and Kramer, 2011; WBCSD, 2011).

This is evidenced by a number of leading global firms who have committed themselves to sustainability. The CEO of Unilever, Paul Polman, explains why he put sustainability at the top of his business agenda: “Most businesses operate and say how can I use society and the environment to be successful? We are saying the opposite – how can we contribute to society and the environment to be successful?” (Forum for the Future, 2011, Mirvis, 2011). Feike Sijbesma, CEO of the global life- and material sciences firm DSM expresses a similar view: “As a business, we are aware that we cannot be successful in a society that fails. Therefore, it has become natural for us to take responsibility for more than our business, but also for society and nature” (Sybesma, 2013). There is a growing amount of anecdotal evidence of CEOs who have demonstrated a similar commitment to sustainability leadership (Elkington and Heitz, 2014; Mackay and Sisodia, 2013; Nidumolu et al., 2012; Zoeteman, 2013).

This trend toward sustainable business appears to be driven by the recognition of the increasing interconnectedness between business, society and eco-systems. This deviates from earlier CSR/sustainability definitions, which suggested that economic outcomes are antecedents of social outcomes, or the other way round (Visser, 2010). It is now argued that business and society are interdependent and cannot function without each other. (Senge, 2008; van Tulder et al., 2014) The notions of the “Triple Bottom Line” (Elkington, 1997) and “Bottom of the Pyramid” (Prahalad and Hart, 2002) carry a similar message: every firm should look at decisions and opportunities through the lens of joint economic and social (and environmental) value creation. According to Sisodia et al. (2007) successful companies necessarily need to create profit, but in their choices of how to do so, they also need to build people and society. For these companies profit is not the sole end; rather, it is a way of ensuring that returns will continue and value will be captured for all stakeholders.

Porter and Kramer (2011) have defined this new orientation as creating shared value, in which the firm seeks to translate societal needs into business opportunities, thus creating shared value between society and business. Porter and Kramer (2011) state: “If capitalism is to survive, business should rediscover and redefine its purpose of creating shared value with society” (p. 64). Dyllick and Muff (2015) describe this as Business Sustainability 3.0, which presupposes the recognition that ultimately not only consumer needs reflect societal needs, but that societal needs also depend on the fulfillment of ecological needs. In Business Sustainability 3.0 eco-system needs are considered more fundamental than societal needs, which in turn are considered more fundamental than economic needs. Snower (2013) describes this as the new interconnectedness paradigm in economic thinking.

This line of thinking is almost identical to GNH principle 1, which is grounded in the reality that the economy, society and eco-system are intractably interconnected. This close resemblance indicates that business sustainability is an inevitable process of adjusting to a new reality.

With new demands from stakeholders on hand, there is an adjustment of the entire business model from shareholder to multi-stakeholder value, incorporating social and
environmental value into economic value indicators. Stakeholder engagement is regarded as the essence of sustainable development (Gilding, 2011; van Tulder et al., 2014). Organizations that successfully focus on creating value for all stakeholders (next to shareholder, but also for employees, suppliers, customers, nature and society) seem to perform better in financial terms, especially in the long run (Eccles et al., 2011; Sisodia et al., 2007). In other words, sustainability has come to represent a next stage in business thinking and organizational capacity.

This is supported by research showing that firms progress on the path toward a stakeholder value orientation on the basis of a number of progressive stages of development (Googins et al., 2007; van Tulder et al., 2014; WBCSD, 2011). The stages of development posited – from an elementary to an increasingly more engaged, innovative, integrated and, at its most creative edge, a game-changing approach to sustainability and CSR – emerge from continuous interaction between a firm and its environment that stimulates organizational learning. At each stage, a company’s engagement with societal issues is progressively more open and its dealings with stakeholders are more interactive and mutual (Laszlo and Zhexembayeva, 2011; van Tulder et al., 2014).

It is clear that sustainability is no longer limited to the environmental dimension at this stage, but it also includes a strong social dimension, both internal and external to the organization (Dyllick and Muff, 2015). The focus then is on building high quality partnership with all stakeholders. This implies that effective sustainability/CSR strategies should be geared toward serving (instead of ignoring) the needs of internal and external stakeholders and creating shared value with them (Googins et al., 2007, van Tulder et al., 2014). It is obvious that this mindset focusing on the needs of all stakeholders resembles the mindset behind GNH principle 2. Even though the context and scope of sustainability and GNH differ, they have in common that they require a major shift in mindset and attitude of the practitioner. The difference is that GNH explicitly defines happiness as overall goal of sustainability. By emphasizing happiness of stakeholders, GNH leadership appeals to the principle of enlightened self-interest, which is a necessary driver in the process toward sustainability. When stakeholders are not intrinsically motivated, they may not succeed in progressing on the stages toward sustainability. Just as unhappy customers will not be inclined to pay for the product, sustainability efforts will halt when they ignore inner drivers of stakeholders.

Obviously, in order for organizations to progress toward stakeholder value creation, there needs to be concordant changes in governance, including structures and measurement systems. Currently, many organizations adhere to a singular shareholder value orientation simply because this is what they are incentivized to measure and generate (Dyllick and Muff, 2015; Epstein, 2014). When companies progress along stages of sustainability and CSR, the organizational structures, processes and systems used to manage corporate responsibilities will need to become more sophisticated and aligned with measuring incentives, spanning more than financial value but triple value. (Porter et al., 2012; van Tulder et al., 2014). An important feature of business sustainability then is to develop indicators for measuring sustainable performance. In fact, both business itself and watchdog bodies demand clear standards and measurements (Epstein, 2014; WBCSD, 2012). While we have clear and commonly accepted indicators for capturing economic value, the race is now on to develop robust measurements for natural and social value, so we can measure sustainable value comprehensively (Epstein, 2014; Porter et al., 2012).
This corresponds to the GNH philosophy in Bhutan, where the focus of GNH on subjective well-being has not precluded the necessity of creating a measurement for happiness in the GNH index that captures nine value domains, as discussed above. The GNH index, therefore, can be a source of inspiration for companies to measure sustainable value, which necessarily includes subjective and qualitative measures. This need for governance, including structures and indicators, matches with GNH principle 3.

In spite of the need to measure GNH, in the view of GNH the market and workplace are not a mere trading place for financial transactions, but a mechanism for the creation of relationships for the fulfillment of needs. While this obviously raises technical questions from the perspective of current economic thinking (e.g. how does one value, price and compare these needs?), it is an interesting thought experiment that can help companies to innovate toward sustainability services and products. This line of thinking corresponds to the shift from away from the worldview of the individualistic homo-economicus who is merely interested in transacting for his personal gain, to a worldview of mutually beneficial relationships. It may be a stretch to regard all societal and environmental as needs that can be met in some sort of market exchange, but if one adds governance/leadership (conform GNH principle 3) as provider of conditions for fairness and far-sightedness, this scenario is more feasible.

Whilst organizations move from stage to stage in the process of sustainable transformation responding to a number of internal and external factors, a key role is played by the mindsets and attitudes of the top leadership of the organization (Mirvis, 2011; Zoeteman, 2013). Mindsets are defined as the deeply ingrained attitudes and beliefs that create our worldview and shape our lives. Sustainability requires mindsets that work with the dynamic interplay between companies’ leadership and their context – the drivers, conditions, events and stakeholder expectations that influence and shape the sustainability journey.

Sustainability progress develops in gradual step-by-step stages when the leadership mindset broadens in scale and scope as conditions change and capabilities are built in response to these changes (Metcalf and Benn, 2013). Sustainability mindsets therefore necessarily enhance the capacity of handling complexity, stimulating creativity and fostering resilience, not only among leaders, but also among employees and other stakeholders. This shows that sustainability has an “inner” dimension which is somewhat similar to the GNH domain of providing people with happiness skills and mind-training and thus making them active participants in the process. The need for inner sustainability, or sustainability mindsets, corresponds to GNH principle 4. This will be discussed in more detail in the section on leadership below.

If one would apply these features of sustainable organizations visually, a figure emerges that resembles the GNH worldview (Figure 2).

Sustainability leadership theory

The foregoing analysis indicates that sustainable organizations can only evolve on the basis of leadership that can deal with increasing complexity and interdependency among business stakeholders and direct its efforts to meeting the future needs of these stakeholders (Metcalf and Benn, 2013; Senge, 2008). By serving these needs, business will create long-term sustainable “triple value,” that is, value for the organization as well as for the social and natural environment in which it operates. This leadership orientation presents a radical departure from the current predominant leadership orientation of creating short-term singular value, primarily for shareholders.
In view of the many parallels between GNH and sustainability principles, it is clear that GNH leadership has much to offer to the necessary reorientation of leadership. GNH leadership can enrich the growing literature describing the various leadership qualities required for overcoming the sustainability challenges. This type of leadership has been defined in terms such as ecological leadership, societal leadership, sustainable/sustainability leadership and (complex) systems leadership (Gitsham, 2009; Lueneburger and Goleman, 2010; Metcalf and Benn, 2013; Schein, 2015; Senge, 2008; Tideman et al., 2013). Along with Schein (2015), who has defined a new psychology for sustainability, this paper uses the term “sustainability leadership.”

Among the many leadership theories that have emerged (from the great man/traits theory, skills theory, behavioral theories, to situational, charismatic/transformational and self-leadership), the academic field of transformational leadership seems best suited for application to sustainability leadership (Bass, 1998; Burns, 1978; Conger and Kanungo, 1998). While transformational leadership is directed at leaders and followers creating the resources to serve the unmet needs of people, sustainability is a process of serving unmet needs of all (present and future) stakeholders, including society and eco-systems. Transformational leaders focus themselves and all stakeholders on transcending short-term self-interests and moving into long term, shared personal and organizational goals, including those of stakeholders (Conger and Kanungo, 1998). As such, transformational leadership ties to the concept of enlightened self-interest that appears to drive leading sustainability companies in serving long-term multi-stakeholder interests (Googins et al., 2007; WBCSD, 2011). Both transformational leadership and sustainability in business are aimed at creating a shared value framework serving the needs of all stakeholders in a particular value chain.

Transformational leadership, therefore, is considered a suitable intellectual basis to explain how leadership can change organizations toward sustainability. The features of transformational leadership resonate with those of GNH leadership as well given its emphasis on transcending self-interests and serving others. However, this paper posits
that GNH leadership can significantly enhance the field of transformational leadership in general and the new field of sustainability leadership in particular.

In terms of theoretical contributions from GNH leadership, it is evident that both the scope of GNH leadership as illustrated by the four GNH principles and its attributes of wisdom and compassion (which are also described as the six perfections of the Bodhisattva), can deepen and refine the emerging theory of sustainability leadership. The most significant insight seems to be the fact that GNH leadership is so explicitly rooted in the principle of interconnectedness, which enables the concept to serve as model for leadership that has to deal with complex interconnected challenges such as sustainability.

The model of GNH leadership is especially relevant given the fact that it is based on well-documented insights of Buddhist psychology, which is increasingly translated and integrated into western science. In fact, the exchange between Buddhism and psychology and neuroscience has given rise to a new academic field described as contemplative science (Goleman, 1997, 2003; Siegel, 2009; Wallace, 2006; Loizzo, 2012). An additional advantage is that GNH leadership is still being practiced and can be observed in Bhutan. Even though until recently Bhutan was quite inaccessible as it severely restricted foreign tourism, in the last decade Bhutan’s leadership has welcomed intellectual exchange with foreign experts. Bhutan’s recent report on the new development paradigm in support of formulating the UN Sustainable Development Goals (NDP Steering Committee, 2013), which included contributions from 71 foreign scholars, is a case in point. GNH is no longer a domestic experiment, but a platform for intellectual innovation across the world.

Sustainability leadership practice
Since GNH leadership is based on a system of practice of personal transformation and mind-training (the Bodhisattva path), it also is relevant for the development and practice of leaders. Would it be possible for sustainability leaders in the modern context, to learn how to transform their minds in accordance to the Bodhisattva path, with the aim to create value on personal, organizational and societal levels, and thus become “sustainability warriors”? Are the Buddhist leadership practices relevant and achievable for modern day sustainability leaders?

It is obvious that sustainability leadership requires people to have exceptional qualities given the complex challenges involved (Metcalf and Benn, 2013). If leaders would develop the six perfections of generosity, ethics, patience, effort, concentration and wisdom, they would most probably come close to meeting that requirement. The qualities of generosity and ethics will help leaders to connect well with people and attract followership. Given the fact that sustainability is a process in stages with ups and downs while overcoming dilemmas, the qualities of effort, patience, concentration and wisdom are indispensable too. At the very least, these qualities would help leaders to become role models for the desired change and thus become more effective leaders by inspiring others.

This paper suggests that sustainability leadership can gain most by mastering the perfection of wisdom, defined as understanding outer and inner reality. The objective of both Buddhism and leadership of sustainability is to deal with reality in such a way that it serves as basis for creating long-term sustainable or triple value. The way that these traditions define value may differ, but both are concerned with the same reality. Human minds that are capable of understanding and operating in accordance with reality are bound to be more effective than those who are not. In Buddhism this is called
the perfection of wisdom: Bodhisattvas train in wisdom to overcome mistaken views and develop their understanding of inner and outer reality (Loizzo, 2012).

Contemporary Buddhist scholar David Loy (2015, p. 1) describes this in the following way: “Bodhisattvas have a double practice – as they deconstruct and reconstruct themselves, they also work for social and ecological change. Actually, these are two sides of the same practice. As we start to see through the delusion of our separateness, our deep-rooted, self-preoccupied habits don’t suddenly disappear. We need to develop less self-centered and more compassionate ways of living in the world, but how do we do that? By devoting ourselves to the well-being of others, including the health of the earth’s eco-systems. Such concerns are not distractions from personal practice but deeper manifestations of it.” From this it follows that human minds endowed with the perfection of wisdom are better placed in positions of leadership.

The practice of wisdom starts by training the mind, which allows the mind to become more calm and stable. These qualities enable the mind can learn to observe and understand both the inner and outer reality more accurately (Goleman, 1997, 2003; Wallace, 1993). With regard to pursuing sustainable development, an open perceptive undistorted mind is actually indispensable. One can only perceive the shifts in the outer context that drive the need for sustainability when one has opened one’s mind to it. Context awareness is thus considered an essential first step in sustainability leadership (Tideman et al., 2013). Subsequently, one needs to understand the relationship between the shifting context and people’s way of thinking – their minds. Much of what drives these shifts has been created by human behaviors and their underlying mindsets and beliefs, as was discussed before. Therefore, in order to determine the most effective strategy to address a particular sustainability challenge, it is necessary to unpack the underlying mindsets, mental models and belief systems that have caused it (Marshall et al., 2011). In short, the GNH model shows us that the practice of sustainability leadership cannot be fully successful without a contemplative practice that helps leaders to train and develop their minds.

**Conclusion**

This paper has reviewed GNH as an expression of leadership and its implications for sustainability leadership. While GNH in Bhutan is still “work in progress,” its underlying philosophy and the process of developing the GNH index obviously enriches the understanding of national-level leadership for sustainability, including governance, policy making, national accounting and education for sustainable development. The review of the roots of GNH, especially its background in Buddhist philosophy, has provided a new perspective on the leadership dimension of GNH. In fact, GNH leadership with its focus on the principles of interconnectedness, serving stakeholders needs, governance and cultivating societal well-being including the inner dimension of subjective happiness, can be regarded as an innovation in leadership of sustainable development. Thanks to insights of modern science, the GNH principles seem to correspond to a new economic paradigm, replacing the flawed image of the homo-economicus with a much more sophisticated and hopeful view of human beings in relation to their environment.

As the paper described, sustainability can be conceived as an inevitable trend arising out of the increasing interrelatedness and interdependency between business, society and eco-systems, and in that regard converges with the principles behind GNH.
Because of that convergence, GNH leadership principles can deepen our understanding of how to design and implement effective sustainability strategies, both at macro-levels and micro-levels.

With regard to building sustainable business organizations, the GNH leadership model encourages business leadership to define the purpose and strategy of the business from the viewpoint of the larger interconnected economic, ecological and societal context in which it operates and on which it is dependent for its own long-term success, and identify needs in that larger context that the organization could serve. By linking sustainability with stakeholder happiness and enlightened self-interest, GNH gives impetus to ideas such as creating shared value and Business Sustainability 3.0.

The review of GNH has also demonstrated that since all people search for sustainable happiness, it is helpful to view sustainability leadership as a process of enhancing the well-being and happiness of all stakeholders and make them active participants in this respect. The example of GNH implies also that if people want to genuine and sustainable well-being, it is not sufficient to only provide the external conditions for happiness. Equally important is it to equip people with the skills to cultivate the inner, subjective experience of happiness, as this experience is considered more reliable and durable than happiness dependent on external causes.

GNH leadership is also relevant in the recognition that sustainability represents a gradual yet fundamental shift in the orientation of leadership on many levels. For leaders in business this entails a shift away from pursuing purely financial profits for shareholders, to the sustainable well-being of all stakeholders. Both the history of Buddhist leadership and research in sustainability points to the important role of leadership and governance in driving, measuring and overseeing this transformational reorientation. Moreover, the GNH index can be a source of inspiration for creating comprehensive sustainable performance indicators by capturing multiple dimensions of value.

GNH leadership, as it is practiced in Bhutan and being based in Buddhist psychology, can greatly contribute to the emerging theory of sustainability leadership, which is generally built on the transformational leadership literature. The six perfections of the Bodhisattva can be regarded as leadership qualities that represent both theoretical and practical enhancements of sustainability leadership. The most important contribution of GNH leadership is the fact that it is so explicitly rooted in the principle of interconnectedness, which is linked to the perfection of wisdom. This enables the concept to serve as model for leadership that has to deal with complex interconnected challenges such sustainability.

Lastly, the Buddhist views on training the mind can help practitioners of sustainability leadership to become “sustainability warriors.” While much of the current global sustainability crisis is unprecedented, it appears that the interconnected and interdependent worldview that solutions to the crisis are calling for has been recognized and practiced by leaders in Buddhist-inspired civilizations such as Bhutan. The preservation of the contemplative traditions like the Bodhisattva path suggests that the leadership practice we need to employ in order to deal with this new paradigm may already exist.

Note
1. The interview took place in Thimpu, Bhutan on March 30, 2015.
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Further reading

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