On the Middle Path

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The Social Basis for Sustainable Development in Bhutan

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Acronyms and Abbreviations

ABTO Association of Bhutan Tour Operators
BBS Bhutan Broadcasting Service
BOT Build-Operate-Transfer
BPC Bhutan Power Corporation
BSD Board of Sustainable Development
BTC Bhutan Tourism Corporation
BIT Business Income Tax
CDA Christian Democrats
CBC Community Based Conservation
CBD Convention on Biological Diversity
CBS Centre for Bhutan Studies
CIDA Canadian International Development Agency
CSD Commission on Sustainable Development
DGIS Ministry of Development Cooperation
DOT Department of Tourism
DYT Dzongkhag Yargye Tshogdu
FYP Five Year Plan
EIA Environmental Impact Assessment
FDI Foreign Direct Investment
GOTN Government of The Netherlands
GYT Gewog Yargye Tshogchung
GCCI Global Corporate Citizenship Initiative
GDP Gross Domestic Product
GNH Gross National Happiness
ICDP Integrated Conservation and Development Project
IUCN International Union for the Conservation of Nature and Natural Resources
JDNP Jigme Dorji National Park
KIT Royal Tropical Institute
LNV Nature Conservation and Fishery
MPS Middle Path Strategy
NCD Nature Conservation Division
NEC National Environment Commission
NGOs Non-Government Organisations
NSB National Statistical Bureau
ODA Oversee Development Assistance
PGCDM Post Graduate Certificate in Development Management
PPC Periodic Planning Consultation
RGoB Royal Government of Bhutan

RCSC	Royal Civil Service Commission
RNE	Royal Netherlands Embassy
RNR	Renewable Natural Resource
RIM	Royal Institute of Management
RMA	Royal Monetary Authority
RSTA	Road Safety and Transport Authority
RSPN	Royal Society for the Protection of Nature
SMC	Small and Micro-Enterprise
SDA	Sustainable Development Agreement
SDS	Sustainable Development Secretariat
SNV	The Dutch Development Organisation
TNC	Trans-national Corporation
TNP	Thrumshingla National Park
TDC	Tourism Development Committee
TDF	Tourism Development Fund
UNDP	United Nations Development Programme
UNEP	United Nations Environment and Development
VROM	Ministry of Housing, Spatial Planning and the Environment
VVD	The Liberal Democratic Party
WFP	World Food Programme
WSSD	World Submit on Sustainable Development

Preface

I approached this research project with premonition that it would be a difficult path to tread. Truly, writing this thesis was a challenging task. It has no limit to perfection, within the given time and space, it requires dedication, resources and support from all near and dear. I find myself indebted to many individuals who helped me to complete this study successfully. Here I like to convey my thanks to all those, without whose support it would not have been possible to complete this research project.

First of all, I must thank Professor Pieter Glasbergen, my guru, for his untiring attention, guidance and care during the entire period of this study. Amongst many researchers in the University, like myself, I felt I was given the special privilege of access to his busy schedule and space whenever I needed. Next I would like to thank my co-promoter, Walter Vermeulen, the Associate Professor, for his dedication, patience, inexhaustible energy and meticulous readership, which have been instrumental in creating an artistic tapestry in the papers and timely accomplishment of this project. My sincere thank also goes to Professor Martin Wassen, for the support, expert advice and invaluable contributions to this research project in many ways. I also take this opportunity to thank Professor Otto Verkoren, my good friend Mr. Arnoud Smit for all the assistance given to me during these periods, Ms. Debberah ten Velthuis, the two secretaries and other research fellows in the University.

Back in Bhutan, I have a special duty to convey my thanks to all organisations and individuals who participated in this project. Firstly, I wish to thank Madam Namgay Om, the former director of the Royal Institute of Management, for her unstinting support and the generosity extended to me to pursue this study. Next my thanks goes to the present director Mr. Sonam Phuntsho, for providing administrative support in my field studies, giving me time and freedom to engage myself in this research work, which were instrumental for timely completion of this study. My special thank also goes to Mr. James King (VSA at RIM) and Mr. Pema Wangdhee, for proof reading and Mr. Pema Wangdi for translating the summary and the preface of this thesis in Dzongkha. I must also thank the trainees of RIM (PGCDM 2003), for helping me to collect data from 20 districts. And for those members of RIM family, who saw this project from a different perspective, I appreciate their critical minds, respect their opinion and wish them luck, peace of mind and happiness.

1   Introduction

Religion, culture and polity have largely influenced what is unique about Bhutan today. As a Mahayana Buddhist Kingdom, Bhutan has inherited a philosophy of life that is deeply rooted in religious traditions and institutions. Basic values such as compassion (*Jam tha nying je, tha dam tsey and lhay jumdey[1]*), faith, respect for all life forms and nature, social harmony, the spirit of community participation and prevalence of spiritual development over material achievements have played a significant role in shaping modern Bhutan. Being small is one aspect, but Bhutan also occupies a sensitive geopolitical position between the largest Communist country China to the North and the largest democracy India to the South. As a result, maintaining the Drukpa[2] tradition has been one of the prime concerns as it is crucial for survival and sovereignty of the nation state. Situated in the heart of the Eastern Himalayan region, the country is landlocked and relatively poor. Its long-term survival has become of key strategic importance. These factors have had a significant impact on development policy articulated in the five-year plan documents. People's participation and decentralisation is one of the five development goals of HM The King Jigme Singye Wangchuck. The others being: preservation of cultural heritage, balanced and equitable development (achieving self-sufficiency and self-reliance), environmental conservation, human development.

The overall development policy of Bhutan has been to achieve a balance between material and spiritual aspects of life, between *peljor gongphel* (economic development) and *gakid and deva (*happiness and peace) (Bhutan, vision 2020). According to Buddhist cosmology, material wealth is the cause of suffering. Happiness and peace emanate from spiritual well being, the presence of rich natural forests, the serene environment and abundance of biodiversity. Having these elements intact, happiness and peace are bound to ensue. Therefore, the development philosophy of Bhutan is based on the traditional model of Buddhist principles – reverence for nature and respect for all sentient beings, which is now equated with 'sustainable development'. The way it will be pursued, however, is through a unique path, called 'the Middle Path Strategy', aimed to achieve the national development goal of 'Gross National Happiness'.

These concepts in someway or other aim to guide the country's development path, which attracted a lot of international attention (World Bank, 1996). They represent a unique and experimental learning process in a country rich in biological diversity, which remains largely intact, even to this day, and in a specific spiritual and cultural context. At the same time the country is opening up to the outer world and for the first time in its history is in the process of institutionalising a democratic governance system.

The aim of this study is to acquire a better understanding of the unique path towards sustainable development chosen by Bhutan. Our research takes an inductive approach, scrutinising and describing the social dynamics of changes for sustainable development. By analysing some

specific cases, covering a broad field of sustainability issues that are relevant in Bhutan, we hope to inform our readers of how to understand development as a means of achieving Gross National Happiness, which itself is a specific expression of sustainable development.

The characteristics of the country add a specific flavour to research in Bhutan, even for the author, who is a Bhutanese citizen. Social scientific research is still scarce and rather unknown, data were hardly available, and as a consequence little is known about the topics and questions we will address – the meaning people attach to the Bhutanese development path, how they evaluate it, what the opportunities and risks are, what hampers development and how improvements could be realised.

In this Introduction we will present some basic facts about Bhutan, our main research questions, the research strategy and methodologies applied.

1.1   Some background data

Location
The Kingdom of Bhutan is situated in the eastern Himalayas, between the Tibetan plateau of China in the north and the Indian states of Assam and West Bengal to the south and east, and Sikkim to the west (Figure 1.1). Bhutan's total area is approximately 38,000 square kilometers. The country lies between 26°45' N and 28° 10' N latitude and 88°45' E and 92°10' E longitude. It has a maximum longitudinal distance of 330 kilometres and a latitudinal distance of 180 kilometres. The terrain is highly rugged; rising from an elevation of 160 meters above sea level in the south, to 7,550 meters in the north.

Geographically, Bhutan can be divided into three major areas: the southern foothills, inner Himalayas and higher Himalayas. The southern foothills rise from the plains to a height of 1,500 meters, but are only about 20 kilometres wide. The inner Himalayas gradually rise to about 3,000 meters and contain the broad river valleys of central Bhutan, the economic and cultural heartland of the country. The northern region comprises the main Himalayan range of the high mountains; large areas in this region are virtually uninhabited.

Climate
The country can be divided into three distinct climatic zones corresponding broadly to the three geographical divisions. The southern belt is hot, humid, with temperatures remaining fairly constant throughout the year between 15 °C to 30 °C and rainfall ranging between 2,500 and 5,000 millimeters. The central inner Himalayas have a cool, temperate climate, with annual average rainfall of about 1,000 millimeters, while the higher and more northern region has an alpine climate, with annual rainfall in the summer from the southwest monsoon accounting for 60 to 90 percent of total rainfall.

History
Early records suggest scattered clusters of inhabitants had settled in Bhutan when the first recorded settlers arrived 1,400 years ago. During the 17th century, Zhabdrung Ngawang

Figure 1.1 Geographical position of Bhutan. Source: (RGoB, 1996)

Namgyal[3] (1594-1652) unified the country into one state and Bhutan was brought under one rule. He established a theocracy in 1652 and gave Bhutan an administrative system, and a code of law. The theocracy ended in 1907, when Gongsa Ugyen Wangchuck (1862-1926) was elected by the people's representatives, the clergy and the state, as the first hereditary King of Bhutan. Since establishment of the monarchy in 1907, there have been four hereditary kings:

I.   King Ugyen Wangchuck (1907-1926)
II. King Jigme Wangchuck (1926-1952)
III. King Jigme Dorji Wangchuck (1952-1972)
IV. King Jigme Singye Wangchuck (1972-to date)

Bhutan remained under self-imposed isolation from the outside world until 1960. The third King, HM Jigme Dorji Wangchuck (1952-1972), opened links with other countries and initiated the development of a more open economy. The links with other countries gave international recognition as a sovereign nation, thus ensuring more economic assistance.

Religion

Guru Padma Sambhava[4] introduced Buddhism in Bhutan in the 7th century. In the century that followed, according to many sagas, saints visited Bhutan. Consequently, various schools of Buddhism followed other practices and beliefs that existed earlier. Today Bhutan is the only country in the world to retain the Tantric form of Mahayana Buddhism (Drukpa Kagyu) as its official religion. The Buddhist faith has played and continues to play a fundamental role in the cultural, ethical and sociological development of Bhutan and its people. It permeates all strands of secular life, bringing with it a reverence for the land and its well-being. Hinduism is another religion, practiced particularly in Southern Bhutan.

Buddhism has a significant influence on the values of the Bhutanese and has shaped the institutions, organisations, arts, drama, architecture, literature and social structure. Bhutan's culture, as in other societies, is continuously adapting itself in the face of development.

People

Bhutan's indigenous population is the Drukpa. Nowadays three main ethnic groups: the Sharchops, Ngalops, and the Lhotsamps (of Nepalese origin), make up Bhutan's population. Bhutan's earliest residents, the Sharchops (people of the east) reside predominantly in eastern Bhutan. Their origin can be traced to the tribes of northern Burma and northeast India. The Ngalops migrated from the Tibetan plains and are the importers of Buddhism to the kingdom. Most of the Lhotsamps migrated from Nepal in search of agricultural land and work in the early 20th century. They settled on the southern plains.

Present Political Structure

The form of government in Bhutan is Constitutional Monarchy. His Majesty King Jigme Singye Wangchuck is Bhutan's fourth king. In 1998 His Majesty stepped down as the head of government, assigning that function to a Prime Minister[5], assisted by cabinet ministers. Members of the National Assembly elect cabinet ministers for a term of five years. Each minister serves as Prime Minister for a period of one year on rotation.

For administrative purposes, the country is divided into 20 Dzongkhags[6] or administrative district, which is further subdivided into Blocks or *Geogs*[7]. There are 201 geogs. The Chimi[8] transmits the government directives to the public.

The Tshogdu, or National Assembly has 150 members falling into three categories. The largest group with 105 members is the Chimis, representatives of Bhutan's 20 districts. The monk body called Sangha is made up of regional monk bodies (Rabdey) that elect 10 monastic representatives who serve 3-year terms. Another 35 representatives are civil servants nominated by the government. They include 20 *Dzongdags* (district administrators), ministers, secretaries of various ministries and other high-ranking officials. The Tshogdu meets in Thimphu twice a year (June and December), and passes all the kingdom's legislation by a simple majority vote.

Flora and Fauna

The flora of Bhutan is exceptionally diverse as a result of a great range in altitudinal zones and varied climatic conditions. They include alpine forest, scrub, fir, mixed coniferous species, temperate scrub and broadleaf species. There are a number of rare animals in Bhutan. Over 160

Table 1.1 Land cover areas and percentages

Land Cover	Area (sq. km)	Percentage
Forest	25,787	64.4
Scrub Forest	3,258	8.1
Tseri/Fallow-Rotation	883	3.9
Agriculture	3,146	7.8
Snow and Glaciers	2,989	7.5
Water Spread/Marshy	339	0.9
Rock Outcrop	2,008	5.0
Other	985	2.5
Total	40,076	100

Source: Biodiversity Action Plan for Bhutan 2002

species of mammals have been reported, although the exact number is still not known. Rare animals, including the golden langur, takin and blue sheep are found in Bhutan.

Agriculture
Agricultural farming is the main occupation of the Bhutanese. It is estimated that 79 percent of the population is engaged in subsistence farming. The areas suitable for agricultural production are limited, due to steep terrain and high altitude. The most recent estimates suggest that approximately 8 percent (see Table 1.1) of the total land is used for agricultural production, including dry land and irrigated crop production and orchard.

Socio-economic features
Bhutan is the least populated country in South Asia. According to the population census 2005, there are 634,892 inhabitants. Most of the population is concentrated in the broad river valleys.

Bhutan's economy is dependent on the traditional sector comprising farming, animal husbandry and forestry, accounting for roughly 40 percent of GDP. However, the share of modern sector, comprising manufacturing, mining, hydropower generation and construction, grew to about 30 percent of GDP during 2002. Tourism may become a lucrative service sector business and one of the important sources of hard currency albeit its negative impact on culture and the environment is contained. The revenue generated from tourism, in terms of hard currency earning during the fiscal year 2004/05 amounted to USD$ 9.066 million (RGoB, 2005).

The data presented above provide a first impression of the specific context within which we need to discuss development in Bhutan. The country only recently opened up from self-imposed isolation. Its economic base is still mainly subsistence farming. As a result, but also as an explicit objective, the country is still rich with undisturbed nature. Politically, the country is in an early phase of constituting modern democratic institutions. Up to now the country could preserve its rich Buddhist culture, which is an inspiration to further development. But development is in its first phase. Being relatively late has many advantages. Mistakes made by other developing countries may be prevented. Moreover, Bhutan developed its own unique development philosophy and strategy.

1.2   Problem statement and research questions

Bhutan is in a critical phase of transition. As a formerly closed society it is opening up to the global world. Internally a process of decentralisation and political democratisation has been set in motion. A draft constitution is currently discussed all over the country. As a consequence the hierarchical structure of power will change into a more egalitarian one. While this process is going on, the need to preserve the traditional Buddhist cultural values and the focus on ecological preservation has time and again been strongly underwritten in the Middle Path Strategy. The main challenge will be to balance the spiritual aspects of the development process with the need to improve the people's living standard in material terms.

The current phase of development can be seen as an experimental learning process. It cannot lean on proven experiences and it takes place in a situation full of uncertainties. Our research aims to understand the process of change, its implications, and particularly, how it is rooted in society. Therefore we formulated the following general research question:

How can the dynamics of the transition in Bhutanese society be understood in terms of its social basis and what are the consequences?

With this research question we will primarily focus our research on the underlying support for the transition process. However, the concept of 'social basis' is a very complex concept. It must be peeled off in various aspects that can be operationalised in more detailed questions.

First, the social basis of a transition is not something that can be taken for granted. As it has many consequences for the daily life of people and their living conditions, it is something that has to be actively worked on and that has to be nurtured for a very long time span.

Second, the social basis of the transition may obtain various grades of support among societal groups and both directly and indirectly involved stakeholders. Actors in business may have different perceptions and attach different values to the changes than civil servants or ordinary people living on subsistence farming. They may also differ between people living in remote areas and people living in the central villages.

Third, the concept of social basis is a multilayered concept. It has to do with feelings of legitimacy, fairness, efficiency and manageability. In the valuation we can make a distinction between the recognition of intended changes, how they are respected, how far they are accepted, and in the last instance whether they are internalised in the people's own value systems.

Fourth, social support does not automatically imply choices and behaviour consistent with or in the spirit of the general political philosophy. A distinction need to be made between the social support for the philosophy and the support for concrete projects based on that philosophy.

Taking these aspects of the concept of social bases into account we formulated the following operational research questions:

- *What are the perceptions of Bhutanese people of the chosen development philosophy and what values do they attach to it?*
- *How has the development philosophy been operationalised in various crucial development related practices?*
- *What are the opportunities and risks of the current development path and what improvements can be made?*

1.3 Research strategy and methodologies

As a research strategy we have chosen a general analysis of Bhutan's development philosophy combined with empirical sector-studies. The empirical chapters form the heart of our research; the chapters on the development philosophy aim to put the sector studies in perspective. Thereby we divided our general research questions in several sub-questions.

Our first sub-question deals with the development philosophy of Bhutan and is formulated as follows:

- How can the development history of Bhutan be understood in terms of the main concepts Gross National Happiness and Middle Path Strategy?

This question is answered in Chapter 2. As both concepts address the question of capacity building for sustainable development we will shortly discuss this issue. Doing so reveals crucial levels of analysis to take into account in our study of the social basis of the development philosophy: the individual level, the organisational level, and the enabling environment.

The Middle Path Strategy can be seen as a very specific development paradigm. It has to compete with other paradigms such as the economic globalisation, the multi-stakeholder partnership, and the community participation paradigm. In a comparative analysis of these paradigms we will answer the following sub-question in Chapter 3:

- What are the particular characteristics of Bhutan's development philosophy compared to relevant other development paradigms?

The research methods for both chapters are literature study and interviews with crucial stakeholders in the shaping of the Bhutanese development philosophy.

The next chapters are based on literature study and empirical research. The information was gathered in three rounds of interviews all over the country. In the first round information for Chapter 4 was gathered; in the second round information for Chapters 5 and 6; and in the third round for Chapter 7.

Chapter 4 deals with the diffusion of the concepts of Gross National Happiness and Middle Path Strategy in Bhutanese society. Here we focus on aspects of the social basis as a multilayered

concept. The research question addresses the general perceptions of and values attached to these concepts:

- What are the perceptions of and values attached to the development philosophy of Bhutan and how do they differ among societal groups and over different parts of the country?

This Chapter is based on a survey conducted in ten districts of Bhutan. Standard pre-designed questionnaires were used for interviews with representatives of three main groups in society – the state, the market, and the civil society. The various districts in Bhutan and the villages in these districts are represented. Additionally some important stakeholders were interviewed.

Next we selected three in the Bhutanese context important fields of policy. Here we shift from philosophy and perceptions to practice. Each of the research projects helps to answers aspects of our general research questions.

Chapter 5 analyses one of the core economic sectors of Bhutan: tourism policy.
    Here the focus shifts from perceptions to practice. This sector particularly represents a practice in which the general development philosophy has been made operational. Bhutan followed a controlled tourism policy, with a 'high value, low volume' strategy as the guiding principle. However, the growing numbers could jeopardise the intended low impacts on both nature and culture, being the selling points of Bhutanese tourism. The objective of the analysis is to develop insights on the implications of this policy. Our sub-question guiding this part of the research is formulated as follows:

- What are the socio-economic, environmental and cultural impacts of the tourism policy of Bhutan and what can be expected from the anticipated growth of tourism in the next decade?

Information was gathered by conducting field surveys addressing the whole tourism chain of activities: tour operators, hotels and restaurants, and rural communities who are directly associated with the tourism sector. We also analysed financial statements of tour operators.

In Chapter 6, we will analyse the socio-economic impacts of biodiversity conservation activities. Bhutan has high levels of biodiversity at the ecosystem, species and genetic levels (UNEP, 2001). This characteristic made Bhutan one of the 10 global 'hotspots' for conservation of biodiversity in the world. Beginning in the 1960s until now, 26% of the area has been declared as protected areas. The government of Bhutan decreed to maintain 60% of the land surface under forest cover in perpetuity. This is justified as biodiversity is seen as an everyday necessity, especially in the rural areas, to maintain human well-being. However, the conservation policy also adversely affected the rural people. This Chapter examines the perceptions of and socio-economic impacts of this policy. The sub-question guiding this part of our research is formulated as follows:

- What are the effects of the strict nature conservation policy on people's day-to-day economic activities and how does Buddhism influence the attitudes and acceptance of this policy?

Our study areas were two National Parks. The methodology used includes review of literatures, published government documents and reports. The field interviews were administered with pre-designed questionnaires. The target groups consisted of government officials and the rural people living within the parks or the corridors.

As Bhutan only recently opened its country to the outside world we choose one of its most innovative external relationships as our last study of practice.

In Chapter 7, we will evaluate the Sustainability Treaty between The Netherlands and Bhutan. The signing of the Declaration of Intent during the Earth Submit in Rio de Janeiro in 1992, paved the way for bilateral co-operation between the Kingdoms of the Netherlands and Bhutan in a joint endeavour to foster sustainable development. Following this, in April 1993, Bhutan and the Netherlands signed an Aid Memoir in Amsterdam, expressing a mutual wish to co-operate in the promotion of sustainable development in their countries. The agreement outlined the areas of cooperation and the principles governing the cooperation between the two countries.

This chapter will explore the historical roots, the intent and objectives of the agreement. We will analyse the process of building implementation mechanisms in each country, the political atmosphere, public support and rationale behind this treaty in the light of the new paradigm of development and the environment. Finally, we will assess the outcome of this agreement by inspecting some selected projects. In this study the research methods include literature reviews, interviews with former officials who were involved in signing this treaty both in the Netherlands and in Bhutan. We also interviewed present officials who are working on the Sustainable Development Agreement (SDA) programme. In Bhutan our field interviews were extended to the project managers and key stakeholders of the projects.

In Chapter 8, we will draw some general conclusions on the social support for sustainable development in Bhutan and its wider implications.

Doing social scientific research in Bhutan is different from doing research in many other countries. There are no databases or lists of addresses to base random samples on. The distances are far. Some of the remote villages we visited were a three day walk away from the road. One of the villages in our survey could not be reached because of the weather. Therefore we worked with an open research design in such a way that the methodologies cover the variety of districts, the variety of social groups, and the most important policy sectors. The sector-studies present an overall view on Bhutanese development in practice and aim to capture the true feelings and the emotions of Bhutanese people. As such this study is able to place on record an important era of democratic transition and assess some aspects of the future direction of the country. This study covers the last fifteen years of Bhutanese development (1990-2006).

2   The development philosophy of Bhutan

2.1   A brief planning history

The modern development history of Bhutan begins with the launching of the First Five Year Plan (FYP) in 1961. Bhutan's approach to development was cautious not to focus on economic growth without regards to the preservation of national culture and natural environment. The successive development plans reflect sustainable growth as the key to development.

The development objectives of Bhutan were never too ambitious (see Table 2.1). Being a small and relatively poor country, the only way to retain sovereignty was felt to be preserving culture and promoting economic self-reliance. The self-reliance in economic growth was sought through agricultural development rather than the exploitation of natural resources and development of tourism industry. This effort required exquisite planning by the central government.

To make planning more effective, the Planning Commission was established to formulate the Third Development Plan and HM the King himself served as its chairman until 1991. Some significant development initiatives emerged during the fourth plan; the District *(Dzongkhag)*

Table 2.1 Development objectives in Five Year Plans

Plan period	Key development objectives
First – Third Plan (1961-1976)	Infrastructure development: construction of roads, forestry, health and education facilities.
Fourth Plan (1976-1981)	Infrastructure development continued. But the development emphasis shifted to agricultural development and animal husbandry.
Fifth Plan (1981-1987)	Agriculture and improvement of livestock continued with the aim of achieving self-reliance in food production and decentralisation of government administration was initiated.
Sixth Plan (1987-1992)	Mining, trade and commerce and power generation projects and education were given priority. Decentralisation programme continues and the need for human resource development, promotion of national identity and people's participation was recognised.
Seventh Plan (1992-1996)	Environment and sustainable development, privatisation, role of women in development, socio economic development.
Eight Plan (1996-2001)	Capacity building, self-reliance, sustainability, preservation of culture and traditional values. Privatisation and decentralisation and community participation.
Ninth Plan (2001-2005)	Improving the quality of life and income of poor people, ensuring good governance, promotion of private sector growth and employment generation, preservation and promoting cultural heritage and environment conservation, and economic growth.

Planning Committees were established to stimulate greater local involvement, awareness of government development policies, and local development proposals, decentralisation etc.

Decentralisation of the development administration and greater public input in decision making through community participation was also introduced. National capacity building has received greater impetus during the eighth plan, as community participation gained popularity through the decentralisation programme.

Towards the end of the 1980s and beginning of the 1990s (which also marked the end of the sixth FYP, 1981-87), a fundamental shift of development paradigm became obvious. The focus of the development objectives shifted to 'less quantifiable objectives'. The source of this paradigm shift came from the declaration of 'Gross National Happiness' by the present King, coinciding with the declaration of the concept of sustainable development (WCED 1987) and the Ringpung Declaration (RGoB, 1990). Since then sustainable development played a significant role in shaping the development path. It appealed to Bhutanese society, as it reflected Buddhist ideology on environmental conservation. It therefore, implies that the development effort needs the involvement of whole society, if it is meant to transform society.

After more than two decades of planned development, the international development institutions began to realise the seriousness of such efforts by the Kingdom of Bhutan. The World Bank Economic Report noted that "once opened up to the outside world, Bhutan embarked upon a far reaching development strategy that was articulated in successive five year plans" and was able to "avoid the mistakes made by other developing countries in allocation of large resources in one sector". The report also notes that the "growth objectives of the government are tempered by an earnest desire to preserve the distinctive cultural heritage of Bhutan and its rich natural endowment of mountain forests, flora and fauna" (World Bank, 1994; 1996. pp.34-39).

In this chapter we will further analyse the main concepts of the development philosophy: Gross National Happiness and Middle Path Strategy and their relationships. The chapter will close with an exploration of the concept of capacity building.

2.2   Institutionalising democracy

Next to explication of the philosophy of GNH, peoples' participation in the development process has been one of the key policies of HM the King since his accession to the throne in 1974. Towards this end, several institutions have been established and laws were enacted to empower people. The formal organisational structure and procedures for decentralisation have evolved over the last three decades. The first step was taken in 1981 with the introduction of the *Dzongkhag Yargye Tshogdu (DYT') or District Development Committee*. The second step was the establishment of the *Gewog Yargye Tshogchung (GYT) or Geog Development Committee* in 1991. These two institutions have involved the people in political, social and economic decision-making and enhanced their ability to set their own development priorities, thus encouraging bottom up decision-making processes. This is the era when HM the King initiated systematic decentralisation of administrative and political authority with an emphasis on taking decision-

making authority to the 'grass roots' level; hence the concept of good governance emerged as one of the prerequisites for decentralisation. Today, development planning and decision-making processes pass through three stages. At the geog level, the GYT members discuss and prioritise their development needs. The head of the geog *(or Gup)*, who is elected by the people in the geog, chairs the meeting. The outcome of this meeting is referred to the DYT at the district level. All the heads of geog will attend the DYT meeting and an elected member chairs it. The civil servants, district administrator and the sector heads remain as observers. The legislative matters, which are beyond the authority of DYT, will be submitted to the forthcoming National Assembly session and other operational matters will be forwarded to the relevant ministries at the centre.

The institutional and functional changes in the decentralisation process brought greater authority, responsibility and resources of several functions to the sub-national bodies and local constituencies. This move also provides new energy and impetus for self-organisation at the micro-level, deepening direct participation. This political process continued until the legal instruments such as DYT & GYT Acts (*chatrims*) 2002 were enacted and passed during the 81st session of the National Assembly in 2003.

Perhaps the greatest change in the political history in Bhutan is the devolution of executive power. In June 1998, His Majesty the King voluntarily devolved full executive powers to a Council of Ministers elected by the National Assembly. In November 2001, HM the King took another historic step. He commanded the drafting of a new Bhutan Constitution by a committee of representatives of government, people and the clergy. While addressing the drafting committee members HM the King (2001) said:

"It is my duty, as the King, to strengthen the nation so that the people can develop in peace and security' (…) constitution should not be considered as a gift from me to the people; it is my duty to initiate the constitutional process (…), the basic purpose of the constitution must be to ensure the sovereignty and security of the nation and the well-being of the Bhutanese people for all time to come"

With regard to the structure of the constitution, His Majesty emphasised that:

"The constitution must create a structure, a framework that will make democracy effective in our country. It must embody the expectations and aspirations of the people… as Bhutan is in a unique position, with the time and opportunity, to develop a system of governance, which will be in the best interest of the people and the country. It is of utmost importance for us to utilise this opportunity to frame a constitution that will ensure a dynamic system of governance, which will uphold the true principles of democracy".

The scope of constitution should according to His majesty

"… go beyond mere words and become the golden pillars which will support and enable the political system to safeguard the sovereignty of the country and the rights of the people." (www. Kuenselonline.com, November 30, 2001).

As the Constitution is being drafted, the society wonders what will happen next. Some argue that Bhutanese society is not mature enough to take charge of the country. The society still needs the vision, the leadership and prudent guidance of HM the King to lift the nation to a state of happiness as enshrined in the vision 2020.

2.3   The Philosophy of Gross National Happiness (GNH)

As a Buddhist country, the symbolism of bringing happiness and peace to all sentient beings (including non-human beings) plays a key role in defining how Bhutanese live their lives. It encompasses emotional, spiritual, cultural and economic concerns that constitute individual happiness. Since the beginning of the Five Year Plans (FYP) in the 1960s this concept has pervaded into the development policy of Bhutan. The goal of development was making 'people prosperous and happy'. In 1971, when Bhutan joined the UN, the prominence of 'prosperity and happiness' was highlighted (Priesner, 1999). Similarly, the present, fourth King Jigme Singye Wangchuck, in the early years of his reign, declared that "our country's policy is to consolidate our sovereignty to achieve economic self-reliance, prosperity and happiness for our country and people". Consequently, in late 1980s, HM the King formally introduced his vision for Bhutan by enunciating the concept of happiness by declaring: "*Gross National Happiness is more important than Gross National Product*", whereby happiness takes precedence over economic prosperity in the national development (Priesner, 1999). The concept of GNH is human centered, as it places the individual at the centre of all development efforts and recognises that material, spiritual and emotional needs of the individuals must be fulfilled. So the development efforts have been directed towards fulfilling these needs rather than material needs only.

GNH rests on 'four pillars' of development principles: sustainable and equitable economic development, conservation of the environment, preservation and promotion of culture and good governance. The development efforts need meticulous orchestration of these principles, intended to bring harmonious development in the future, balancing environmental sustainability, social well-being and spiritual richness of the Bhutanese society.

The GNH and international concept of sustainable development were introduced in Bhutan towards the late 1980s and early 1990s. As we will see later, these concepts share a common ground in many aspects of development needs in the future.

Gross National Happiness and the concept of sustainable development
As a prelude to the Earth Submit 1992, the UNDP organised a two-day workshop on 'Sustainable Development' at Paro Ringpung Dzong[10] in May 1990. This was the first workshop on sustainable development ever held in the country. Many senior officials representing the Royal Government of Bhutan (RGoB) attended the workshop. The outcome of the workshop was the Ringpung Declaration, which declared Bhutan's commitment to a sustainable development. The Ringpung Declaration defines 'sustainable development' as a process "*to raise the material well-being of all citizens and meet their spiritual aspirations, without impoverishing our children and grandchildren*" (RGoB, 1990). Eight years later, the Task Force members of the National Environment Strategy redefined sustainable development as: "*the capacity and political will to effectively address today's*

development and environment problems and tomorrow's challenge without compromising Bhutan's unique cultural integrity and historical heritage or the quality of life of future generations of Bhutanese citizens"(RGoB, 1998). From this definition one can conclude that sustainable development has a special meaning and appeal in the Bhutanese society, as it supports harmonious living with the natural system.

To Bhutanese, sustainable development involves the interdependency and co-existence of human beings and nature in a sustainable manner. It is manifested in peoples' beliefs that high mountains and deep ravines, ancient trees and rocks are the abode of spirits, gods and demons. Disturbing these would enrage these non-human inhabitants and bring ill luck, sickness and death to families. On the contrary, appeasing these spirits would be rewarded with luck, peace and prosperity (Ura, 2004). Generally, the environment as a whole is considered important as the provider of life support functions (RGoB, 1997) and the duty of human society is to care for and manage the environment. In this scenario, maintaining a symbiotic relationship with the physical environment by maintaining ecological balance is considered more beneficial than the benefits provided by economic development. In this context the Ringpung Declaration brought Bhutan a step closer to clarifying its overall philosophy of development as sustainable development leading to 'Gross National Happiness'. However, although the promotion of GNH has guided Bhutanese development path, very little was known to the outside world until 1998.

Debates on Gross National Happiness
His Excellency Lyonpo[11] Jigmi Y. Thinley introduced the concept of *Gross National Happiness* for the first time officially in his Keynote Speech delivered at the UNDP Regional Millennium Meeting for Asia and the Pacific in 1998 (Center for Bhutan Studies, 2003). When this speech was published in the Kuensel[12], several scholars reacted. This public debate led to the organisation of a one-day workshop on GNH in May 1999. The CBS collected all the papers that were presented during the workshop and published a volume entitled *Gross National Happiness*. Further, during May/June of 2000, the Kuensel ran a three-part series, the *Origin of Happiness*, by Khenpo Phuntshok Tashi. Then in November 2001, the Bhutan Broadcasting Service (BBS) hosted a special programme on GNH. These events finally culminated into a three-day International Seminar on the Operationalisation of Gross National Happiness in February 2004. Some 80 international scholars participated during the seminar.

In his opening speech, at the first one-day workshop in 1999, Lyonpo Jigmi Y. Thinley, the then chairman of the Council of Ministers, put forward three pertinent issues for deliberation:
• Could an index for GNH be constructed?
• What are the main ingredients of happiness and what could be the indicators for happiness?
• Are there any other dimensions to GNH?

Unfortunately, the workshop failed to come up with final results. The second international workshop in February 2004 took rather a bold step by switching the theme to 'Operationalisation' of GNH. From the conference deliberations we learn that the GNH debates still rests at the three issues it began with.

The government presents GNH in terms of four pillars of development objectives, which aim to achieve well-being of the people by pursuing a balanced development approach between materialism and spiritualism. This approach somewhat defies the orthodox western development model, which is based on materialistic values. As a result, this unique concept sparked international debate among GNH scholars. Today the debate rests on three key issues; how to conceptualise and define GNH? Can and should GNH be quantified and measured? And, if the former question is answered positively how to operationalise GNH?

The happiness concept. In an attempt to conceptualise Gross National Happiness, scholars have singled out happiness as the important element of GNH. Therefore, questions have been raised, whether it is necessary to define happiness and if so, how should it be defined in the context of GNH. Two schools of thought have emerged concerning this issue, one school of thought taking the position of the philosophical perspective and the other school taking the empirical analytical approach of defining and measuring GNH.

The philosophical approach. The proponents of this approach argue that GNH should be perceived as a development philosophy and therefore should remain a guiding inspiration. From this perspective there is no need to exactly define happiness (Stehlik, 1999; Mancall, 2004). Other exponents, such as Hirata (2003), argue that GNH should be linked to Buddhist philosophy to capture the spiritual dimension. In similar vein the paper presented by Tashi, Parkke *et al.* (1999) explains the linkages between Buddha's teaching on the so-called "eight-fold-path[13]" and the four pillars of GNH. Both normative approaches share a conception of happiness including the spiritual or 'inner development' aspect of individual happiness. This contrasts with other scholars who restrict happiness explicitly or implicitly to material well-being.

The empirical approach. The second school of thought premised their argument on an empirical approach. They attempt to explore various modes of measuring GNH. They implicitly argue that happiness or GNH can be measured. In doing so at least four different routes can be distinguished:
- A first route aims at happiness itself. Some take on board 'individual happiness' as an important determinant of GNH just as 'product' is considered in case of conventional GDP. Happiness is generally understood as subjective well-being of state of mind of an individual. They believe happiness can be measured, as there is firm empirical methodology developed to measure subjective well-being (Hirata, 2003). This view is shared by other researchers in the world (Veenhoven, 1994; Inglehart and Klingemann, 1996). According to Dorji (2004) GNH has been derived by replacing 'product' in GDP with 'happiness'. He argues that GNH can be defined similar to GDP, which could be the sum total of individual per capita[14] happiness that can constitute collective happiness or GNH.
- The second route looks into the alleged determinants of GNH as an alternative way of measuring GNH. It focuses on single elements of happiness, either ecology or economy. A representative is Sharrock (1998) who holds the view that the methodology of environmental economics could be used to define happiness. However, McDonald (2004) remarks that, although there is evidence showing a positive correlation between happiness and material wealth, beyond a certain threshold growth does not translate into individual happiness. Similarly, below a certain level of development, poverty reduction does not make any

difference. On this basis the state of environment or ecology cannot be the measure of GNH.

- The third route stresses the societal determinants of happiness in operationalising GNH. It emphasises the need to provide fair and equal opportunities (Stehlik, 1999). Adding to the notion of equal opportunities Mancall (2004a) discusses the concept of "GNH State" whereby "state assumes primary responsibility for the creation of a society in which the individual's progress towards enlightenment is not impeded by unnecessary suffering, material or mental". This suffering, according to Mancall, can be avoided by ensuring that all citizens obtain adequate livelihood through equal distribution of wealth.

- Finally there is a combined route being suggested by Namgyal (2004) in his GNH model[15], which claims that GNH can be statistically measured by incorporating root causes of GNH as the ecosystem structure, cultural meaning, economic interest and political power. Likewise McDonald (2003) argues that the best way to measure GNH would be to develop indicators in each of the four pillars of GNH. Yet they do not clearly answer the question how to define GNH.

Overlooking this debate we can see that some possible routes for measuring GNH are suggested, but the question how to measure it is hardly answered. Another observation is that the debate only partially reflects the four pillars of GNH as seen by Bhutan government. Sharrock (1999) addresses ecological and economic pillars, Stehlik (1998) and Mancall (2004) highlight governance issues. But no scholar has specifically dwelt upon cultural pillars, which is considered critical for Bhutan as a nation state.

Government view. The GNH debate took the centre stage in the national assembly for the first time during the 82nd session of the National Assembly, 2004. The Prime Minister then appraised the nation about the progress made under each pillar of GNH. He did so by discussing recent achievements in the field of ecology, economy, culture and good governance. For instance, in ecology the National Environment Commission (NEC) was able to review 174 projects and was able to issue 134 environmental clearances. In economy, the construction of rural access roads were commenced and five more bridges were completed; the new labour ministry was created to look into employment issues in the country; in information and communication significant developments were the introduction of the mobile phone and the government decision to induct a new AIRBUS 319 by October 2004. In promotion of religion and culture, a significant increase in enrolment rate in monastic institutions was acknowledged as positive attitude towards religion; also some 51 restoration works were reported and the development of cultural sites was completed. However, a concern was expressed over the growing popularity of modern music, because this might endanger the traditional musical culture of Bhutan. In Good governance the drafting of the new constitution entered a second phase, and also substantial and continued progress in local office capacity building was reported.

Reacting to this report, the representatives of the central monk body argued by saying that, for Bhutan to achieve progress and Gross National Happiness, it is important for all Bhutanese people to first develop their inner selves and develop right values and attitudes so that Bhutan could achieve socio-economic growth, preserve the environment, strengthen its cultural health, and implement the noble aim of good governance. "Bhutan is a spiritual nation, if we develop

our spirituality, all aspects of development will follow" (expression of Monk representative in the National Assembly, 2005). Thus emphasising the cultural and spiritual value of GNH as a development philosophy, which is essentially Buddhist. This brings in the perspective of the first school of thought on GNH.

The RGoB also took this position. "*Maximisation of GNH exists at the philosophical level and attempts to quantify it will not serve any purpose. Our duty is to keep the spirit alive as something we aspire for, but we should not demean it by attempting to reduced it to scale and kilograms*" (H.E. Lyonpo Jigmi Y. Thinley, personal interview with the prime minister on 21 May, 2004).

The above analysis shows that the GNH debate is likely to continue in the foreseeable future without registering concrete outcomes. The prevailing debates argue about implementation of GNH, whereas, in reality it has already being implemented with the launching of the Ninth Five Year Plan in 2002, guided by the conservation strategy 'Middle Path Strategy' (MPS). In the next section we will explore its unique characteristics and see how it attempts to position Bhutan in the globalised economy.

2.4   Gross national happiness and the middle path strategy

Having placed GNH as the central development philosophy or vision and sustainable development as the goal of development, we will now discuss the national strategy that is aimed to realise these development goals.

The decision to tread the 'Middle Path' development was highlighted as the main outcome of the Ringpung declaration of 1990. Following this declaration, the first step was the formation of a National Environment Commission, a high level, cross-sectoral body. The task of the Commission was to identify economic opportunities that are best for Bhutan and to define a strategy for utilising these opportunities from the perspective of middle path development. The foregoing three decades of development activities had been focused on developing infrastructure, industrial expansion and urbanisation, putting pressure on nature and landscape. Meanwhile, increased tourist inflows had also brought additional pressure on the limited resources. Under these circumstances an urgency to look for a new development strategy was prominent. This new development strategy of the RGoB that was developed in response to the underlying problems came to be known as 'The Middle Path Strategy'.

The concept of 'middle path' is derived from Buddhist principles. It means 'neutral, upright, and centered' (Rong, 2004). It is about avoiding extremism, but it does not mean mediocrity. In reality, middle path aims for the superior performance by taking a balanced view. For instance, Buddha was able to attain enlightenment, or was able to realise the ultimate truth through this path. Put in Bhutanese development context, the middle path means achieving the goal of sustainable development (RGoB, 1998).

The main characteristics of MPS are moulded into four folds: balance between materialism and spiritualism; focus on specific resource potentials for development; distribution of responsibilities; integrated management. We will discuss each of these characteristics below:

Balance between materialism versus spiritualism
Bhutan has an enormous natural resource potential available for the exploitation of economic growth. The country is known for its rich biological diversity and recognised as being one of the ecological wonders in South East Asia. The country is therefore declared one of the ten global 'hot spots' in the world (RGoB, 1996). On the one extreme, full protection of nature, on the other maximum exploitation and export of these resources to increase wealth of the people could be an objective. Bhutan is rated as one of the poorest countries in South East Asia. The per capita income of Bhutanese was US $1,534 in 1998 (RGoB, 2003). Improving this situation might call for maximum utilisation of natural resources.

Yet, Bhutan's development strategy limits growth through restricted and judicious use of the resources. The aim is to bring controlled development by balancing economic growth with ecological conservation. While growth improves material well-being, maintaining the natural ecosystem can fulfil the spiritual needs of the people by recognising their emotional ties with nature. It may however be argued that the use of ecosystems for the satisfaction of material needs and spiritual aspirations is incompatible as they are closely linked. As we shall see in Chapter 4, the scope of 'the Middle Path Strategy' (an environmental strategy) attempts to achieve this balance.

Focus on specific resource potentials
The main characteristic of this strategy is that it underpins the importance of three key sectors recognised as the 'avenues of development'. They are: energy, industry and agriculture.

- The first avenue focuses on exploiting Bhutan's hydropower potential. It has been estimated that Bhutan has over 30,000 MW[16] of hydropower potential and so far less than 2 percent has been harnessed so far (RGoB, 1998). It is a clean source of energy, which is vital for the fledgling private sector industries, and also essential to the rural population who are currently fully dependent on fuel wood for heating and cooking. Development of this sector offers opportunities for growth in other sectors and stimulates socio-economic development of the country.
- The second avenue is aimed at improving agricultural self-sufficiency. This is a logical step for Bhutan, being primarily an agricultural country. The Renewable Natural Resource (RNR) sector, which covers agriculture, livestock and forestry remains the single-most important sector accounting for 35.9 percent of Gross Domestic Product in 2000 (CSO, 2004). This contribution comes mainly from the total cultivated area of 7.8 percent. With this limited available land area Bhutan was able to meet about 65 percent of food self sufficiency in 1998 (RGoB, 1998). The MPS will attempt to increase this potential.
- The third avenue of the MPS is to augment private sector growth through expansion of the industrial base. This would mean creating employment opportunities, which will boost socio-economic growth. It is also important to see the causal links in all three avenues to bring

about 'controlled development' by using an environmental legislation, Integrated Watershed Management and an Integrated Pest Management System (see Figure 4.1).

Decentralisation of responsibilities
Another characteristic of MPS is the decentralisation of implementation responsibilities. It suggests that the implementation rests upon state-guided private and public initiatives. The role of the state must be to provide an enabling environment such as enactment of laws in accordance with international conventions, and bring in rules and regulations and other regulatory mechanisms such as good governance. The civil society and the private sector (market) are responsible to act within the purviews of standards set by the state.

Integrated management
The MPS institutes an innovative managing of shared responsibilities. This implies the need for capacity building, not only at the institutional level, but also at the organisational and individual level. In other words, present institutions, organisations and human resources must be developed and re-directed to give prominence to wider integration of issues than their narrow sectoral interests to produce synergy and bring about change.

Self controlled globalisation
A strong character of MPS is the desire of self-controlled growth rather than a growth instigated by global market forces. This peculiar characteristic is demonstrated by the philosophy of MPS itself. Unlike many developing countries, Bhutan tries to slow down its development pace inspired by the notion of a gradual transformation of society to avoid cultural disruption.

2.5   Capacity building

In the foregoing section we have described Bhutan's vision of a desirable future based on Gross National Happiness. To attain this, the country has chosen the Middle Path as development strategy, which aims to balance economic development with ecological preservation and spiritualism. The expression of MPS makes apparent the need for capacity building to fill the gap between vision and practice. In this connection we will discuss in general what capacity building means and what this implies for our next study. In Chapter 3 we will further analyse the MPS in the context of other development paradigms.

Capacity building has been defined in different ways by multilateral and bilateral donor agencies, institutions and entities, each reflecting a particular bias or orientation (see Box 2.1). However, we are inspired by the definitions by the UN and the Canadian International Development Agency (CIDA) as they capture the essence of capacity building referred to by other organisations. According to the UN, capacity building is "the process by which individuals, organisations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems and set and achieve objectives" (UNDP, 1997). It is also defined as "abilities, skills, understandings, attitudes, values, relationships, behaviours, motivations, resources and conditions that enable individuals, organisations, network/sectors and broader systems to carry out functions and achieve their development objectives over time" (Bolger, 2000). These definitions reflect

the complexities involved and the difficulties in capturing the various dimensions of capacity building.

Some organisations describe capacity building as processes of organisational learning, while others see it as development *objective* to build individual and organisational capacity. Morgan (1998) argues that more than skill acquisition capacity building includes *system* development.

Box 2.1 Definitions of capacity building

No Definitions
- Capacity development is "the process by which individuals, groups, organisations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems and set and achieve objectives " (UNDP, 1997).
- Capacity building is defined as "strengthening groups, organisations and networks to increase their ability to contribute to the elimination of poverty. Capacity building activities can include: leadership development; programme planning and implementation; policy research and advocacy; information access, use and dissemination; building alliances, coalitions, networks, North-South partnerships and inter-sectoral partnerships; financial sustainability" (DFID, 1999).
- "…capacity building is the combination of people, institutions and practices that permits countries to reach their development goals…Capacity building is… investment in people, institutions, and practices that will, together, enable countries in the region to achieve their development objectives"(World Bank, 1996).

- " Capacity development refers to the approaches, strategies and methodologies used by developing country, and/or external stakeholders, to improve performance at the individual level, organisational, network/sector or broader system level" (CIDA, 2000).

- "Capacity-building is an approach to development not something separate from it. It is a response to the multi-dimensional processes of change, not a set of discrete or pre-packaged technical interventions intended to bring about a pre-defined outcome. In supporting organisations working for social justice, it is also necessary to support the various capacities they require to do this: intellectual, organisational, social, political, cultural, material, practical, or financial" (Oxfam, 1997).
- "Formation of capacity of a civil society organisation is an evolutionary process and a process of organisational learning. External intervention can only be facilitative" (Tandon, 1997).
- Capacity building is any support that strengthens an institution's ability to effectively and efficiently design, implement and evaluate development activities according to its mission (UNICEF- Namibia, 1996).

Source: (Lusthaus, Adrien et al., 1999)

Table 2.2 Different levels of capacity building

Level	UNDP	CIDA, Canada	Universalia[17], Canada
• Individual	• Individual	• Individual	• Participatory process
• Organisational	• Entity	• Organisational	• Organisational
	• Interrelationship between entities	• Sector/Network	• System
• Systemic	• Enabling environment	• Enabling environment	• Institutional

Hence, all definitions fall in these three dimensions: *individual, organisational and systemic*. As summarised in Table 2.2, it is clear these dimensions are succinctly reflected in the definitions given by UN, CIDA and Universalia (Canada). We will now refer to these common elements as 'levels of capacity building' (Individual-level 1, Organisational- level 2 and Systemic-level- 3) and take a further look at their characteristics (see also Figure 2.1).

Enabling environment
The 'enabling environment' represents the broad context within which development processes take place. The enabling environment should provide institutions, laws, rules and regulations within which organisations can exist and operate, and where individuals are protected and motivated to work. On the contrary, poorly conceived policies, high level of corruption, or lack of legitimacy may become a 'disabling' environment (Bolger, 2000).

Organisational level
As can be seen from Figure 2.1, the organisation occupies the central position in between the individual and the outer world that provides or creates an enabling environment for the organisation. This implies that the organisation has to play in an open system, establishing links with other independent organisations, entities outside its own environment. For organisational capacity building, individuals should be trained to look from two angles: 'outside in and inside out'. Looking outside in means seeing whether organisational vision and goals are aligned with the external environment (government policies, laws, international norms etc). Looking inside out would mean carrying out the organisational diagnosis to see whether organisational development confirms to internal working systems, bureaucratic set up, relations to the external environment and individual capacity requirements. But such exercise should depend on the nature of organisation we try to address; be it public or private (business or NGO). For instance, capacity building at community level for public entities should include all aspects related to organisational capacity building and at the individual level it should also include some functional aspects such as: capacities to organise, build consensus, plan, budget, implement, learn and evaluate in a participatory manner.

Individual level
It has been generally agreed that individuals are at the core of capacity building. Recognising this, the UN capacity building programme focuses on three key areas: knowledge building, on-the job training and formal and informal skill development. Similarly, CIDA and Universalia also place individuals at the heart of capacity building, referred to as 'organisational actors'; and they emphasise strengthening the skills and abilities of these actors to enhance overall organisational
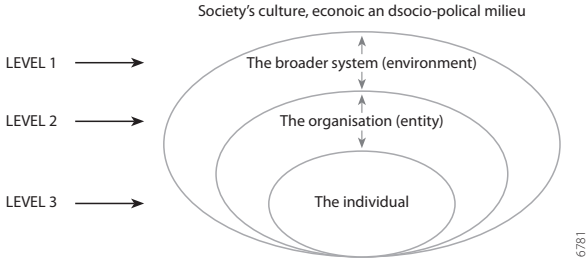
Figure 2.1 Levels of capacity – within systems context (adapted from UN, CIDA)

performance, and create a crucial link between the individual and the organisation. This relationship is shown in the Figure 2.1. The arrows show the interrelationships amongst various dimensions of capacity building including sectoral and organisational networks.

Gross National Happiness is mainly focused on the systemic level. It creates an enabling philosophical and spiritual environment. The MPS creates the organisational conditions for development, by providing avenues for individual empowerment. Both at the philosophical and strategic level the individual is at the core of development. To be born as a human being in a Buddhist country is seen as an opportunity to develop as an enlightened human being. Enlightenment can be realised by avoiding the extremes of striving for absolute richness and avoiding absolute poverty. That is why Bhutanese development philosophy fundamentally starts from individual actions and the individual spirituality. The other levels are seen as preconditions to realise this.

2.6   Conclusions

This Chapter has given a snapshot of Bhutan's development history. The evolution of development philosophy and ultimate fusion with the international concept of sustainable development was discussed. Further, an analysis of Bhutan's 'Middle Path Development Strategy' for sustainable development was presented, as it is dependent on the human element, the ability of individuals and organisations to improve and manage the process of change. Therefore, in this study we take the view that policies to handle sustainable development and capacity building initiatives are to be seen as experimental learning processes that take place in a multi-actor context. Our aim is to get a better understanding of these experimental learning processes within the context of the Bhutanese Society and see how Bhutanese perceive this strategy and its effects on their lifestyle. Our empirical studies that follow in Chapter 4 -7 reflect the people's perceptions on the policies and strategies being implemented so far.

3 Middle Path Strategy and the debate on development paradigms

3.1 Introduction

In Chapter 2 we introduced the vision of Bhutan on the desired path of development. The Bhutanese strategy is a very typical one. In the global arena various other views on how to enhance the well-being of nations are debated. In this chapter we will discuss these competing perspectives and compare the typical Bhutanese strategy with three ideal types of views on development in the global discourse. We will present these diverging perspectives by using the concept of 'paradigm'.

Understanding the word '*Paradigm*' and '*Paradigm Shift*' is important, as we live in an ever changing and transforming society. The word 'paradigm' was first used in scientific research as a collection of beliefs shared by groups of scientists on how problems should be defined, what their causes are and how they should be solved (Kuhn, 1962). According to Kuhn, when a prevailing paradigm breaks down, a period of confusion emerges; at this point a shift to a different outlook occurs which he termed as a *'paradigm shift'*.

Social scientists use the concept 'paradigm shift' to study the social behaviour in response to societal changes. These changes can bring a different way of looking at social reality, i.e. at societal processes and how they can be influenced (Driessen and Glasbergen, 2002, p. 246). For instance, the introduction of the personal computer and the Internet has brought a paradigm shift in the personal as well as the business environment, in the way we do our work and conduct business. Nowadays, we see ourselves in the middle of these social changes, societies across the world accept these changes as a way of life. This new social reality demonstrates a clear case of a paradigm shift.

Here we use the concept of paradigm to analyse alternative views on how to promote development. We distinguish three fundamentally varying views or complicated methods of delivering assistance to nations in promoting prosperity. The traditional approach emphasised economic globalisation. However, new ways of development thinking have emerged since the 1980s in which a participatory or 'bottom up' approach is favoured. This second paradigm emphasises involvement of local people in the decision making process in implementing development projects. The World Submit on Sustainable Development (WSSD, Johannesburg, 2002) introduced yet another paradigm, known as the 'partnership paradigm'. This third paradigm aims to connect both the donor and recipient countries and various categories of key actors (state, market, civil society) in bringing about societal change.

Inspired by its unique development goal i.e. to achieve Gross National Happiness, Bhutan has adopted a fourth paradigm known as the Middle Path Strategy (MPS). This 'Bhutanese paradigm' has not yet entered the global discourse. We will compare this paradigm with the other ones in order to get a clearer picture of its main features.

Our discussion will be guided by the following questions: W*hat does each paradigm represent in the context of development goals? What do they view as the main mechanism for development? Who are the main actors and what are their roles? And what do these paradigms imply for types of capacity building required?*

3.2   Globalisation

The concept 'globalisation' has become a catchword in the 21st century. However, there is not one single definition of globalisation that is generally accepted. The concept encompasses a wide spectrum of activities, processes and actions. For instance, globalisation is defined as:

"Increased human mobility, capital flows, multinational organisations, and technology, make the world more interdependent than ever. Multinational corporations manufacture products in one country, process them in another, design and marketing it in yet another, while selling to consumers around the world. This process spurs the movement of money and raw materials. Traffic of products and finances, advances the exchange of ideas and cultures. As a result, laws, economies, and social movements are forming at the international level. Politicians, academics, and experts commonly lump these trends together as 'globalisation". (Website: Global Policy Forum, 2004)

Most definitions of globalisation dwell upon the interconnectedness of markets, finances, goods and services, and the growing stature of transnational corporate networks leading to the integration of the economics, politics and cultural dimensions (Herman, 1999). In this sense, globalisation can be understood as a phenomenon where no society can remain shielding from; it impacts on economic development, political processes and cultural integrity of many nations through the intensification of global interconnectedness provided by Internet and World Wide Web services. Thus, changing people's perceptions of the world.

Some scholars, like Stiglitz, and institutions like ILO, IMF, and The World Bank and the UNDP, view globalisation in essence as a positive incentive for socio-economic growth, while others criticise it as having adverse impacts on socio-economic growth (Bakker, 2004). Here we do not intend to dwell on these debates. We will focus on one of the positions in the debate. This position relates to the opening up of national economies for globalisation as the best recipe for prosperity. This view we call 'the globalisation paradigm'. The main advocates of this paradigm are the global financial institutions.

At the heart of the paradigm is the economic reform programme introduced by the Washington-based Bretton Wood Institutions[18] called the 'structural adjustment programme'[19]. In this programme four key policy 'prescriptions' are emphasised:

- Liberalisation of trade and the elimination of protective barriers to make domestic markets competitive.
- Liberalisation of the banking system and privatisation of state controlled banking industry.
- The privatisation of state controlled commercial, financial and industrial activities and
- The labour market flexibility.

The central idea of these inextricably linked policies has been to promote economic growth through what is called an 'export-led growth' strategy. In the following we will describe the main characteristics of these policies.

Trade liberalisation
Liberalisation by definition refers to the opening of an industry to competitive pressures (Staar, 1988). It is demonstrated by the reduction of tariffs and barriers to trade allowing more foreign investment and more competition in the economy. It also allows free movement of capital, labour and culture across borders leading to 'globalisation' (Weisbort and Baker, 2002).

The economic reform started in the1980s at a time when several countries, including Latin America and Africa, were experiencing sustained hyperinflation. As a result these countries suffered increased poverty and became debt-ridden. At the same time the countries in Central and Eastern Europe were just emerging from communism after the collapse of the Soviet System and its ideological apparatus (Naim, 1999). They were desperately looking for new ways of introducing economic reforms and reforms of the governance system.

One such mechanism was the reduction of import tariffs such as quotas and levies so that there is free movement of goods and services. This would encourage trading and commercial activities between countries, thus opening up markets in the developing countries for the developed economies. The foreign investors were supposed to make the market more competitive by reducing cost through improved efficiency and by bringing in new management tools, skills and technology, which ultimately result in specialisation of labour. Consequently, the developing countries were supposed to manufacture goods and services primarily for export to the developed markets to earn foreign exchange.

There are two types of players in the trade liberalisation policy: demand-side players and supply-side players. Individuals or groups who are attempting to influence trade policy outcomes such as import-competing domestic industry, organised labour, exporters and consumers represent the demand-side players. The supply-side players are those individuals or groups responsible for formulating and implementing trade policy such as government bureaucrats, politicians and political parties.

Financial market liberalisation
The financial liberalisation attempts to remove the restrictions on the inflow and outflow of international capital and allows foreign businesses and banks to operate. This heightens the competition in the financial sector, through a rapid expansion of credit facilities, thereby easing the liquidity constraints, raising consumption levels in the markets (OECD, 2001). Stiglitz and Bhattacharya (1999) hold the view that capital market liberalisation may increase the information

requirements for economic stability by improving transparency in accounting standards and the disclosure of information.

This reform policy focuses on two aspects of financial market-deregulation: exchange control and privatisation of state-owned commercial banks. These measures include lifting of currency controls and the adoption of a single exchange rate mechanism, elimination of price controls, easing restrictions on foreign investment, and deregulation of the financial sector. According to Stiglitz (2000) the IMF policy is based on three premises. The first premise suggests that the deterioration in exchange rate should be prevented; second premise is that this can be done by raising interest rates; and the third is that the benefits of maintaining the exchange rates outweigh the costs.

Easing these restrictions provided opportunity to foreign investors to invest in the developing countries. The privatisation of state-owned financial institutions meant that the financial market would determine the exchange rates and the lending rates. For instance, the Central Bank (like Reserve Bank of India) would lose control over monetary policy and the exchange rates are determined in the free market by the commercial banks.

The privatisation of state controlled commercial enterprises
According to Staar (1988), privatisation means two things: any shift of activities or functions from the state to the private sector, and a shift of the production of goods and services from public to private. He further argues that its meaning also depends on a nation's position in the world economy. Unlike in the wealthier countries, in the developing countries the most likely buyers are foreign investors, in which case privatisation of state-owned enterprise would mean 'denationalisation'. In this sense, privatisation can be defined as the process of selling state-owned enterprises to foreign investors or the local private companies. This results in less regulatory and spending activity of the state.

The IMF reform programme led to the sale of state-controlled commercial, financial and industrial assets and enterprises to foreign investors. Two things are clear, firstly, privatisation removes the burden of responsibilities from the state, such as employment relations and claims by the new employers; secondly, it takes the form of distributing wealth to the larger public by selling shares. That way the efficiency and competitive zeal of the newly privatised enterprises will be enhanced. The Thatcher and Reagan administrations both popularised the privatisation of state-owned corporations and service sectors as means of achieving efficiency and competitiveness in the 1980s (Potter, Binns et al., 2004). Thus, the privatisation programme stimulated reorganisation of the corporate structure in view of eliminating unproductive cost elements and making it more competitive.

Labour market flexibility
A flexible labour market is defined as a market that has the ability to adjust to changing economic conditions in a way that keeps employment high, unemployment and inflation low, and ensures continued growth in real incomes (HM Treasury, 2003 p. 11). This concept is characterised by increase in efficiency, productivity, higher employment, and more competition.

The characteristics of a flexible labour market are demonstrated by:

- Relative wage flexibility: there are free movements of wage differentials across particular segments of the labour markets, regions or different occupations.
- Geographic labour mobility: the workers can freely move places or residence in order to find employment.
- Employment flexibility: the employers can adopt a working system in response to labour supply conditions, such as part-time and flexible working hours.
- Functional flexibility: the labourers should be able to perform different tasks and to acquire and apply new skills, and be ready to adapt to technological change.

Implications for capacity building
The Globalisation paradigm is a top-down management strategy. As a result it forces the existing national laws, systems, rules and regulations to change. It presupposes that *systemic* or institutional changes are needed in the international financial system, international trade and the labour market. Next the *organisational development* was given priority to face the challenges of new competitive markets. This is done primarily through a re-focus on business goals, and product designs through research and development. As a consequence of this, the need for human resource development also becomes a priority to staff the new structures. However, the capacity building requirements in the developing countries are affected mainly on the institutional and organisational levels.

In conclusion, the reform programme of the IMF and the World Bank has set the process of world economic development in motion since the early 1980s. What we see today, labelled as globalisation, is the accumulated results of this reform programme. Besides IMF and the World Bank, the multinationals and trans-national corporations (TNCs) have helped deepen global growth by expanding capital investment in the developing countries and encouraging open market competition. At the same time supranational organisations and development agencies like United Nations Organisations and Non-governmental Organisations (NGOs) were instrumental in sustaining this process through capacity building programmes and the creation of incentives to promote good governance.

3.3   Community Participation

Community participation has been recognised as a second development paradigm aimed to bring about social changes in the developing countries. The term community participation can be understood in different ways. C*ommunity* is commonly used to refer to a group of people who share an interest or a neighbourhood. According to Healey (1997) the 'community' is used as a synonym for *'people who live in an area'*, and gives the image of an integrated place-based social world. Therefore, community development can be understood to imply those activities that are directed to strengthen cooperation of people at the local level. The World Health Organisation study group on community participation in local health and sustainable development defined community participation as:

A process by which people are enabled to become actively and genuinely involved in defining the issues of concern to them, in making decisions about factors that affect their lives, in formulating and implementing policies, in planning, developing and delivering services and in taking action to achieve change (WHO, Health City Report, 2001).

A community may be defined as a group of people coming together on the basis of a geographical area, a work place, even an idea or a theme/issue, or on the basis of gender/age (UNEP, 2004).

These definitions stress community participation as being rooted in an effective citizenship, self-government or grass-root initiatives. It recognises the positive effects of engaging people themselves in the development process. It seeks to involve people in designing public policy, implementation of public policy and the designing and implementation of community development projects. This strategy inculcates local ownership of those activities and is purport to ensure effective delivery of public services.

In this section we will address the main issues of the community participation paradigm, identify the main actors and their roles and finally assess the implied capacity building for achieving sustainable development.

Empowerment of people as a mechanism for development
Community participation aims to bring about the transformation of society by the people themselves rather than contributing to increasing GDP per capita. Stiglitz (1999) argues that the key ingredients in a successful development strategy are *ownership* and *participation*. In this sense community participation seeks to provide a 'bottom-up' approach, in contrast to the 'top-down' traditional approach. Development should be based on decentralised governance by placing the people at the centre of the development activities. They are induced to decide themselves how development should take place in the interest of the community. This mechanism presents a long-term solution by recognising the importance of people's knowledge and skill, experiences of local leaders and network creation in capacity building.

Knowledge and skills
Community development assumes people's participation as a pre-requisite for the implementation of development activities. However, at the community level the population is generally made up of local households where the educated and qualified professionals are absent. The need for capacity building in terms of organisational as well as human resource is of crucial importance for two reasons: first, knowledge requirement, the people should have the ability to understand the overall development policy in the context of social changes and the effects, both positive and negative in their daily lives. As a result people should be able to participate in meaningful dialogue with the state officials. Secondly, the communities should be in a position to implement the development activities by themselves, and improve delivery of services efficiently.

On the other hand, one could observe that some potential resources already exist in terms of local experts on the traditional knowledge and the skills. These traditional knowledge and skills can be enhanced by giving additional training, which can improve quality of work and improve efficiency in the delivery of community services. However, the challenge is how to

connect the two, the traditional knowledge and skills with modern knowledge, skills and tools. If successfully linked, the advantage is that it will facilitate the establishment of networks between the community households, local professionals and the state officials. Ideally this could foster capacity building by sharing common experiences, learning from each other, strengthening competencies and building alliances among the workers and professionals. For instance, the provision of public services at the basic subsistence level and basic information regarding health, population, education etc. can be dealt with by communities themselves, as they have the right contacts and knowledge. In the process this might ensure long-term sustainable mechanisms for achieving community development.

Role of the state and civil society in community development
Unlike the globalisation paradigm, the community paradigm is mostly driven by civil society[20] activities. The role of the state is to provide an enabling environment for community participation. It does so by institutionalising democracy and by empowering people at the community level. This implies a shift in decision-making processes from the central authority to the place where development takes place. The type of decision-making includes planning to enhance participatory approaches to democracy, emphasising the requirement of new styles and structures of governance.

Achieving better decisions and more effective services
This paradigm also assumes that involving people in identifying needs, planning and taking action can result in better and more creative decisions. Communities are supposed to be more familiar with the situation and the local circumstances and to have better knowledge of their environment, climatic conditions and resources available than any outside official. As a result this process helps to create more responsive, responsible and appropriate service delivery mechanisms for the community. The ladder of community participation (Box 3.1) shows the relationship between the level of participation and the control of activities. The higher the level of participation, the more responsibilities the communities are willing to take.

Mobilising resources and energy
According to this paradigm, a wealth of untapped resources and energy can be harnessed and mobilised through community participation. The indigenous knowledge of the community (or the tacit knowledge resource) about the local environment in combination of local culture can be used for practical community development work. This will help to develop holistic and integrated approaches to development that can meaningfully address the complex issues involved in the community development.

Environmental management
In this paradigm it is also argued that local people know best when it comes to environmental management. There are certain norms already existing such as environmental management practices, which have been passed down from their ancestors. This system allows indigenous people to co-exist with nature. The modern development project concerning community should capitalise on the existing knowledge system so that there is more cooperation without much conflict. As a result, the participatory approach ensures ecological and environmental preservation and successful implementation of projects with less ecological damage.

Box 3.1 Ladder of community participation		
Control	Participants Action	Examples
High	Has control	Organisation asks community to identify the problem and make all key decisions on goals and means. Willing to help community at each step to accomplish goals.
	Has delegated authority	Organisation identifies and presents a problem to the community. Defines limits and ask community to make a series of decisions which can be embodied in a plan which it will accept.
	Plans jointly	Organisation presents tentative plan subject to change and open to change from those affected. Expects to change plan at least slightly and perhaps more subsequently.
	Advises	Organisation presents a plan and invites questions. Prepared to change plan only if absolutely necessary.
	Is consulted	Organization tries to promote a plan. Seeks to develop support to facilitate acceptance or give sufficient sanction to plan so that administrative compliance can be expected.
	Receives information	Organisation makes plan and announces it. Community is convened for informational purposes. Compliance is expected.
Low	None	Community told nothing

Source: WHO, 2003

Implications for capacity building

The 'community participation' paradigm is focused on decentralisation. It aims to increase democracy by providing opportunities for people to act individually and collectively, to choose their own development needs, and also to encourage them to get involved in the development process. Therefore, empowering people to understand their own situations and to gain increased control over the factors affecting their lives, is central to the paradigm. As a consequence, the community participation paradigm also assumes restructuring of authority relationships between central and sub-national institutions, whether they are public, private or civil society. Basic purposes are an increase of the overall quality and effectiveness of the system of governance, an increase of efficiency in service delivery systems, and an increase of the capacities and roles of the local communities in the process of development.

The analysis above is premised on the belief that there is a willingness amongst community households to take charge of local development activities, starting from the decision-making, planning and the final implementation of the development activities. To achieve these goals, it is implied that the capacity building programme should precede any development programme. In this context, capacity building may be dealt with in three stages:

Firstly, the national level (who are dealing in community development), refers to the development of an institutional structure to ensure that procedures and processes are in place for effective participation of all relevant stakeholders.

Secondly, the local level (actors in the community who will be involved in the development activities) refers to improving the level of knowledge to understand development issues. It can be done through education and training in participatory development processes.

Thirdly, the subsistent household community level, refers to individual skills to carry out development activities efficiently. This will require training and the development of an attitude towards change of the individuals.

From this perspective, the capacity building should involve training of trainers at the national level, who will then train community groups directly associated with development activities such as: planning and designing development projects, capital resource management (financial and human), environmental resource management, social equity and gender issues, monitoring and evaluation of projects, and reporting. These activities should take place at the local level.

3.4   Partnerships

The concept of 'partnership' was first mooted at the UN Conference on Environment and Development, the Earth Summit, held in Rio de Janeiro in 1992. The conference called for an equitable *world partnership* based on the creation of new forms of cooperation between states and important social organisations. Ten years later, the World Submit on Sustainable Development (WSSD) in Johannesburg revitalised the same idea under the new caption *voluntary partnerships*. The focus shifted to include partnerships between states, private sector and civil society organisations for achieving the goals of sustainable development. As a result, more than 200 partnerships were launched during the Summit (UN-CSD, 2002). The governments designated the United Nations Commission on Sustainable Development (CSD) as a focal point for the discussion of partnership activities that promote sustainable development – including sharing lessons learned, progress made and best practices. A new development paradigm was born.

Organisations and institutions have defined partnerships in different ways. To facilitate our understanding we quote some universal definitions:

- Partnerships for sustainable development, in the context of WSSD are voluntary, multi-stakeholder initiatives that can contribute to the implementation of sustainable development (UNDP, 2003).
- A 'partnership' is defined as a voluntary cooperation agreement (though not without obligations) between stakeholders from at least two different groups (international, governmental organisation, government, business, non-governmental organisation, knowledge or research institute), who work towards a common goal or specific task and therefore share the risks, responsibilities, resources, competencies and benefits (Website KIT. www.partnerships.nl, 2005).
- True partnerships are about shared agendas as well as combined resources, risks and rewards. They are voluntary collaborations that build on the respective strengths and core competencies of each partner, optimise the allocation of resources and achieve mutually

beneficial results over a sustained period. They imply linkages that increase resources, scale and impact (World Economic Forum, 2005).

- The concept of 'partnership' is often invoked, seldom examined, and easily misunderstood. It is not a one-sided relationship, but a two way street (Verhagen, Dorji et al., 2003). In an effective partnership, there is both mutual respect and a commitment to a common vision. Each partner brings different but complementary skills, experiences, and interests to bear on a common objective, building on areas of comparative advantage (USAID, 1995).

Main characteristics of partnerships

Partnerships are collaborative activities between two or more parties on a voluntary basis that aim to achieve a common goal, share risks and rewards, optimise allocation of resources and build on comparative advantages using core competencies and strengths of each other. Three main characteristics are drawn from the definition a) equity, reciprocity and participation, b) complementarity to government action, c) providing linkages between sectors of society.

a. Equity, reciprocity and participation

These characteristics were featured as the main principles in the bilateral Sustainable Development Agreements (SDA) between Benin, Bhutan, Costa Rica and The Netherlands, signed after the Rio Summit.

In this agreement, equity means that all member countries have an equal say in the project design and implementation, irrespective of size, gender and the contribution of development funds provided.

The principle of reciprocity recognises what each stakeholder can contribute to the development processes by mutual learning, sharing information and participating in each other's policies (Verhagen, Dorji et al., 2003).

Participation refers to equal involvement of all members of the partnerships at the programme level. This includes agreeing on thematic areas, design of the programme and selection of projects. In SDA countries this is done by way of annual consultation amongst the member countries (see Chapter 7).

b. Complementarity to government action

Partnerships involve multiparty collaboration of many stakeholders from diverse economic, social and cultural backgrounds. This provides a venue for the creation of a pool of knowledge, perspectives and capabilities. Parties can share these resources and build capacities for effective implementation of sustainable development programmes. Such effort can help to provide a solution where the individual organisation or government is not effective. For instance, where governments need to carry out a local campaign on environmental issues, a partnership with NGOs can be a useful alternative, as they will have knowledge and expertise in dealing with the local communities.

c. Linkages between sectors of society
By dividing the political structure into three principle domains: the state, the market and the civil society, at least four kinds of partnerships have been recognised in the literature.

First, civil society and market organisations can collaborate with a view to address large-scale socio-economic and environmental problems with clear benefits in terms of each organisation's goals (Waddell, 1997). Generally, for civil society these goals are protection and promotion of ecological values, peace, security and prosperity; and for the market sector the goals are efficiency and profits.

Second, the public and the private sector can collaborate in the provision of public services and infrastructure development at the community level. At the heart of this collaboration is the public interest, with an element of profit for the private sector.

Third, a partnership between the state and the civil society could work towards fulfilling sustainable development goals through building grassroot capacities within the civil society, and providing an enabling environment for collaboration.

The fourth category of partnership is a cross-sectoral relationship between the state, the market and the civil society. These are the partnerships promoted by the UN sustainability programmes.

Criteria for building partnerships
The partnership concept is relatively new compared to the globalisation and the community participation model. There are no simple checklists or blueprints underpinning successful partnership building. Partnering is often an intuitive and constantly evolving 'voyage of discovery' based on organisational and individual learning, trust and experimentation. The success of this endeavour largely depends upon equal participation, setting realistic goals, transparency, community participation and the involvement of the private sector in the decision making process and in the partnership initiatives. The Commission on Sustainable Development, in its decision CSD-11, highlighted basic principles on which partnerships for sustainable development can be established (Box 3.2).

Partnerships as mechanisms for sustainable development
Partnerships can bring about changes in achieving the goal of sustainable development. In the following we will look into the possible mechanisms and how they can address the key development challenges:

• Building framework conditions for good governance,
• Mechanisms for expanding economic opportunities and
• Investing in physical infrastructure for the provision of public services.

Building conditions for good governance
    What role can a partnership play in ensuring good governance? Partnership processes could have spin off effects for good governance at the firm level, at the industry level and at the global level. At the firm level, private sector companies could support and improve governance by

Box 3.2 CSD criteria and guidelines for partnership

- Partnerships are voluntary initiatives undertaken by Governments and relevant stakeholders, e.g. major groups and institutional stakeholders;
- Partnerships should contribute to the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation, and should not divert from commitments contained in those agreements;
- Partnerships are not intended to substitute for commitments made by Governments but to supplement the implementation of Agenda 21;
- Partnerships should have concrete value addition to the implementation process and should be new – that is, not merely reflect existing arrangements;
- Partnerships should bear in mind the economic, social and environmental dimensions of sustainable development in their design and implementation;
- Partnerships should be based on predictable and sustained resources for their implementation, include mobilising new resources and, where relevant, result in transfer of technology to, and capacity building in, developing countries;
- It is desirable that partnerships have a sectoral and geographical balance;
- Partnerships should be designed and implemented in a transparent and accountable manner. In this regard, they should exchange relevant information with Governments and other relevant Stakeholders;
- Partnerships should be publicly announced with the intention of sharing the specific contribution that they make to the implementation of Agenda 21;
- Partnerships should be consistent with national laws, national strategies for the implementation of Agenda 21,
- The leading partner of a partnership initiative should inform the national focal point for sustainable development of the involved country/countries about the initiation and progress of the partnership, and all partners should bear in mind the guidance provided by Governments; and
- The involvement of international institutions and United Nations funds, programmes and agencies in partnerships should conform to the intergovernmentally agreed mandates and should not lead to the diversion to partnerships of resources otherwise allocated for their mandated programmes.

Source: (UNDP-CSD, 2002)

ensuring their own good corporate governance and ethical standards and their engagement with the public authorities in a fair and transparent manner. This could also have important impacts on collective actions across industry sectors. At the global or national level, the companies can join industry-wide alliances or multi-stakeholder partnerships to support voluntary principles of good governance, accountability, transparency and responsible business practices.

Mechanisms for expanding economic development

Partnerships between public and private sectors are supposed to have the potential of bringing synergy in development efforts; to open opportunities for access to finance, knowledge, technologies, managerial efficiency, and entrepreneurial spirit, combined with the social responsibility, environmental awareness, and local knowledge. This would help to provide economic opportunities to the people who are currently marginalised or excluded from workforces, and ensure more productive and reliable suppliers. Large companies can use partnerships to spread economic opportunities and livelihood options more widely beyond their own immediate profit making objectives and value chain. When the private entrepreneurs are locally based business units, they can be socially responsible partners, conscious of the local environment and the culture. How cross-sectoral partnerships could help increase economic opportunities may be seen in the following instances:

- Partnership activities could ensure that local communities benefit from major development projects. Multinational companies can achieve this by institutionalising community participation into the project planning and by official agreements with the host government.
- Partnerships could support small and micro-enterprise (SME) development. Large companies can influence local government to improve property laws, curb bureaucracy and red-tape, undertake anticorruption efforts, and remove other obstacles that impede small business development and prevent many entrepreneurs entering into the market. As partners, they can also provide a variety of support services to SMEs in the form of business advice, market linkages, technology, equipments, market information etc.
- Partnership projects could invest in integrated regional approaches to poverty reduction by implementation of pilot projects, which can help to convince other business leaders, donors and potential investors to increase activities.

Elizabeth Bennett (1999) suggests that involvement of the private sector in development initiatives can have multiple benefits. It can improve the quality of the infrastructure and expand coverage, at lower costs, giving substantial benefits to the local people. It can also provide ground for learning and appreciaton of each other's culture and work ethics. In this way of a partnership may be able to breed new cultures of consensus building, mechanisms of improving efficiency and transparency.

Investing in physical infrastructure for the provision of public services

In the traditional development model two parties are distinct – the donor and the recipient. These types of development cooperation were mostly donor driven, such that it included certain conditions, which a recipient country had to fulfil. In this sense, it was hierarchical in nature (Glasbergen and Miranda, 2003). In contrast, the partnership concept attempts to change this culture and create opportunities for alternative financing schemes that are more horizontal.

Partnerships can make important contributions to infrastructure development through core profit-making operations in the field of major utilities, such as water supply, supply of energy, transports and logistics. The business models through which these services can be delivered span a wide variety of partnerships and contractual arrangements, having different implications for sustainable development. These services include:

Box 3.3 Operational and strategic obstacles for partnership collaboration

Lack of trust and mutual understanding: these two themes of distrust/suspicion and lack of mutual understanding and respects were interwoven in most responses, often leading to other obstacles. For example, lack of information and discussion due to lack of trust – if nothing is shared in the partnerships, the understanding of the other sectors and where NGOs are not able or willing to talk about the 'business case' or 'economic viability' and, in similar vain, when they expect business to 'do good things' because they are worthy things, rather than by helping to link through to key business issues, such as people retention, market development, corporate citizenship etc. The perception of NGOs matter, if they insist on thinking that business is 'evil' because of the profit motive, this can get in the way of practical cooperation.

Different modus operandi: linked to lack of mutual understanding is the fact that there are often what is described as 'cultural clashes" due to, "…different methods of working, different accountabilities, and divergent objectives."

Different timeframes: there is frustration of partners operating on different timeframes. For example business tends to be slow to move up to the point that it has made a decision and then it wants action and delivery instantly… . NGOs tend to be incredibly keen and/or demanding and then seem to be slow to deliver…public sector often is quick to engage but then gets struck in bureaucracy and it can take a long time to get funding even when they are committed.

Lack of clarity and communication: the lack of clarity defined or communicated goals, roles and responsibilities was another obstacle. Failure to agree on details can be another. The lack of clarity can also lead to different analysis of what each partner can, or should, bring to the table, and unmet expectation.

Lack of skills and competencies: insufficient or inadequate skills for building effective partnerships were another obstacle. The necessary skill and competencies range from technical and managerial to behavioural and attitudinal. They include: cultural sensitivity, transparency, creativity, flexibility, willingness to compromise, diplomacy, commitment, patience, empathy, negotiation, mediation and facilitation abilities, analytical ability, result-orientation, good at risk analysis, collaborative mindset, strategic thinking, interpersonal communication, sound project management, ability to tackle unconventional problems, coaching and capacity building skills, and broader understanding of politics, global issues and the environment.

Hostile context: there are the obstacles created by broader enabling framework. This includes the need for conducive local – political, social, and economic environment to growing partnerships. Moreover, since the challenge of sustainable development is bringing long-term benefit, a stable environment is important. Other like corruption demands from politicians, week public governance and legal frameworks, constantly changing governments, and deterioration in macro-economic conditions, as major obstacles to building effective and long-term partnerships

Source: (World Economic Forum, 2005)

- *Operation, maintenance, and service contracts:* this model operates between the public and the private sector for the provision of public services. Government takes the responsibility to bear initial capital investment and further expansion cost if necessary. Hereafter the operation, maintenance and the provision of the service is contracted out to the private sector for a fixed cost.
- *Build-operate-transfer (BOT) contracts:* is a form of project financing, wherein a private entity receives a franchise from the public sector to finance, design, construct, and operate a facility for a specified period, after which ownership is transferred back to the public sector. During the time that the project proponent operates the facility, it is allowed to charge facility users appropriate tolls, fees, rentals, and charges stated in their contract to enable the project proponent to recover its investment, and operating and maintenance expenses in the project. The private entrepreneurs can mobilise their own financial resources and invest in a public sector project such as a drinking water schemes or solid waste management. Their investment cost can be recovered by selling these services back to the government and the consumer.
- *Joint ventures (mixed-capital):* A joint venture is a business arrangement in which two or more parties undertake a specific economic activity together. A joint venture can turn under-utilised resources into profit, create a new profit center, and help enter into untapped markets, quicker and with less cost than trying alone. Multinational corporations and the local companies can get together to carry out a community development project as a cooperative arrangement (UNDP, 1999; UNEP, 2004).

Partnership collaborations are not without obstacles. A study by the World Economic Forum's Global Corporate Citizenship Initiative (GCCI) singled out six main issues Box 3.3): lack of trust and mutual understanding, cultural clashes, different timeframes, lack of clarity and communication, lack of skills, and lack of enabling environment.

Implications for capacity building
The goal of a partnership is to promote sustainable growth at the global, regional, national and local level by way of collaborative activities between the state, the market and the civil society. Questions have been raised about the success of these collaborations, especially when they involve international partners with different social, economic and cultural backgrounds. New types of partnerships are emerging aimed at expanding economic opportunities, serving unmet social and environmental needs, and improving governance structures to address such challenges. Factors that feature strongly all relate to cooperation capacities:

At the systemic level, cooperation assumes institutionalisation of basic freedoms such as empowerment of NGOs, public accountability, transparency and measures to tackle corruption and unnecessary red tape and bureaucracy.

At the organisational level, cooperation assumes the sharing of technical, financial and informational resources of many organisations. At the international level, the state, as an organisation, should be able to join supranational networks. Within the state, there should be an ability to arrange inter-sectoral relationships between the main actors in society.

At the actor's level, cooperation assumes specific skills and competencies, specifically:

- *Knowledge in Sustainable development*. The potential partners should have knowledge of the concepts of sustainable development, its analytical differentiation into sectoral and cross-sectoral issues, knowledge of good governance, knowledge on international agreements and the existing programmes.
- *Stakeholders and multi-stakeholders collaborative action*. The potential partners should have an understanding of the role of stakeholders in sustainable development, skills for analysing the issues at hand, be able to appreciate the role and views of other partners and understand the societal values of partners.
- *Communication and collaboration in diverse groups*. The potential partners should have the ability to work with groups based in different cultural and environmental settings, have communication, facilitation and advocacy skills.

3.5   Comparing the paradigms

In this section we now compare the main characteristics of the three competing development paradigms: globalisation, community participation and partnerships, and their implications for capacity building. The paradigms are compared on their main characteristics; as ideal types. Table 3.1 shows the paradigms classified in terms of emphasis put on the level of capacity building.

Globalisation is characterised by top down action. As a result, the effect has been mostly felt at the systemic level, including regulatory mechanisms, and the organisational level. With globalisation the individual organisations need to be made more competitive by restructuring and refocusing their business goals.

On the other hand, the community participation paradigm focuses on empowering people to achieve development. It encourages people's participation in decision-making and involvement in the implementation of development programmes, so that it will ensure ownership and stewardship in the future. Capacity building at the local level is seen as most crucial for achieving sustainable development.

Unlike globalisation and community participation, partnerships seek to find a middle way to development through collaborative interactions between nations, public and private companies and institutions of the civil society. This development paradigm encompasses characteristics of globalisation and community participation. It covers development issues at the global, regional as well as national and local level by involving the main stakeholders of the state, the market and the civil society. Table 3.2 gives a summary of the main characteristics of the three paradigms.

Table 3.1 Emphasis on various levels of capacity building in development paradigms

Levels Paradigms	Systemic	Organisational	Individual
Globalisation	X	X	
Community participation		X	X
Partnership	X	X	X

Table 3.2 main characteristics of paradigms

Elements	Paradigms		
	Globalisation	Partnership	Community Participation
Main focus	Development of global economy	Sustainable development at the global, national and regional level	Participatory capacity development at the local level
Main actors	The (international) state	State, market and civil society	Local, civil society and NGOs
Main impetus	Top down	Collaborative interaction, mutually supplementary collaborative actions	Bottom up
Main mechanism for development	• Trade liberalisation • Financial market liberalisation • Privatisation • Labour market flexibility	• Public-private structures • Equity, reciprocity and participation • Integration of economic, social and environmental dimensions • Complementary to government action	• Human resources • Basic subsistence level • Household and community building • Participatory service delivery

3.6   The Middle Path Strategy

Comparing the global paradigms with the middle path strategy as discussed in Chapter 2, we recognise some similarities and differences. First, we will look at the characteristics of middle path strategy, after which we will make a comparison with the other development models.

Looking at middle path strategy, we single out five distinctive characteristics, which distinguish MPS from other global paradigms:

- *The Five-Year Development Plan Model* in Bhutan is to a large extent, characterised by state driven planning policy. Here Bhutan replicated the Indian planning practice. India also used to finance the main part of the Bhutanese planning projects. Up to now Bhutanese planning is almost fully depended on external funding. As a consequence it appears to have big implementation risks. However, a major change in the planning process is underway as a result of personal initiatives of HM the King.
- *Decentralisation and peoples' participation* under the good governance programme emphasise local capacity building in the development planning and implementation of activities. His Majesty believes that the destiny of a nation lies in the hand of the people. To this end, grass-root participation in the development process has been initiated and is now gaining momentum.
- *A restricted market driven economy* based on the absorptive capacity of private sector firms and their development needs. The country only allows a phased opening of its economy.
- *A strong focus on ecological and environmental preservation* serves as the expression of a cross sectoral concern with spiritual well-being and happiness.
- *Selection of specific resource potentials with a focus on integrated management system.* The development is focused on three resource potentials and integrated management of these three sectors. The resource potentials are seen as fully interdependent in the sense that

activity in one of them might be detrimental to the production and output in another. The growth strategy aims to obtain an optimum result by an integrated orchestration of the utilisation of these three potential resources (see Chapter 4):

The most striking similarities and differences between MPS and the other paradigms are shown in Table 3.3.

Compared to the globalisation paradigm, the MPS model almost fully takes the state driven planning mechanisms on board. There is also a tendency to recognise the market sector as an engine for development. However, it also takes elements of the new paradigms strongly into account.

From the community participation paradigm, the MPS model lends the focus on decentralisation and people's participation. Both are still in a first phase of development and are supposed to take place within the framework of ecological and cultural constraints.

The partnership model plays a role as Bhutan government has built strong alliances with India and other developed countries (the Netherlands, Denmark, Japan, Canada). It also joined the United Nations, World Health Organisations, World Bank, Asian Development Bank, International Monetary Fund and international conventions.

Table 3.3 Similarities and differences of development paradigms

Elements	Paradigms			
	Globalisation	Partnership	The Middle Path Strategy	Community Participation
Main actors	The (international) state	State, market and civil society	State	Local, civil society and NGOs
Main focus	Global	Global, national and regional level	National	Local
Main impetus	Top down	Collaborative interaction, mutually supplementary and collaborative actions	Top down	Bottom up
Main mechanism for development	• Trade liberalisation • Financial market liberalisation • Privatisation • Labour market flexibility	• Public-private structures of financing • Equity, reciprocity and participation • Integration of economic, social and environmental dimensions • Complementary to government action	• Integrated management system • Spiritualism and cultural consciousness • Strong conservation ethics • Inter-sectoral bureaucracy	• Human resource • Basic subsistence level • Household and community building • Participatory service delivery

3.7   Conclusion

What makes the MPS paradigm peculiar is its transition stage. It more or less relies on the old tradition of top-down five-year plans initiated by the central government, but at the same time it has the ability to absorb new ventures. Another peculiarity is the strong focus on only three specific resource potentials that are approached in an integrated way. Integrated management implies a strong awareness of input-output relationships among the three resources, and the imbalances that may occur. Environmental regulation and land-use planning are seen as the filters to prevent these imbalances. Last peculiarity is the strong sense of cultural preservation and spiritualism as important elements for achieving happiness. This focus is not to be found in any of the paradigms characterised before.

Comparing the development paradigm chosen by Bhutan with other, more global paradigms, reveals not only many differences that underwrite its uniqueness, but also indicate specific capacity building requirements. These requirements are clearly related to two tensions that need to be solved. The first is the tension between Bhutanese society and the outer world. Since only recently has Bhutan started to develop international relationships. Remarkably Bhutan joined many supranationals conventions and treaties, and has fixed relationships with some donor countries. At the same time the country wants to keep its development pace, based on its Buddhist philosophy. Opening up the country is seen as a necessity as the country is fully dependent on external funding to implement its own development aspirations. However, this donor dependency brings in characteristics and requirements that may impinge negatively on Bhutan's values and practices and challenges its cultural heritage and spiritual well-being. This is further accelerated by the introduction of modern communication technology, such as television, internet and mobile phones. Although the government tried to slow its pace by even banning television for a long time, it had to accept the technology as intrinsic part of modernisation. Without hardly any choice the country needs to learn how to fit modern technology into its traditional value system. The second tension influencing capacity building relates to the country's internal governance structure. As mentioned before, this governance is in a state of transition. The old structure of a hierarchical top-down governing system is on the wane. The five-year planning process that allows hardly any deviations are still in place. At the same time, bottom up procedures and structures are encouraged nowadays. People are now questioning the rationale of old systems and practices and begin to realise the virtues of other governance systems. However, the new participatory and performance-based rules are still rudimentary. This also includes issues of social equity; especially the distributional effects of the modernisation process are a topic of discussion in the country. The challenge nowadays is to find a balance between openness and preservation, between hierarchy and participation, and between growing national income and its distribution to the population.

4 Public perceptions of Bhutan's approach to sustainable development in practice[21]

4.1 Introduction

In this Chapter we discuss the diffusion of the concept of sustainable development in Bhutanese society. As a small land-locked country Bhutan is experiencing various far-reaching societal transitions. It is changing from a rural society, based on subsistence farming, to a society with growing service and industrial sectors, which increasingly relies on exports of hydro-energy and income from tourism for economic growth. The country is also witnessing the first cultural impacts of a slow but irreversible transition due to its opening up to globalisation. Meanwhile, the government system is changing from a closed centralised monarchy into a democratic constitutional monarchy with a decentralised system of governance. Bhutan occupies a special position in the international arena by explicitly adopting sustainable development as the central objective of its development.

Bhutan has exceptionally diverse flora and fauna due to the country's great range of altitudinal zones and varied climatic conditions. Forests cover 72 percent of the country, and the government is determined to conserve this natural wealth and has a national policy to maintain at least 60 percent of the land under forest cover for all time (RGoB, 2002). The national economy is dependent on the traditional sectors, agriculture, animal husbandry and forestry. Electricity generated from hydropower constitutes a major export product to India. The installed capacity of 457 megawatts accounts for about 21% of the Gross Domestic Product (GDP) and provides the government with about 45% of its total revenues (ADB, 2005). Tourism is another important growth sector in Bhutan, contributing a substantial amount of hard currency.

The overall environmental impact of the Bhutanese way of life is still very small (Vuuren and Smeets, 2000). The government intends to minimise any deterioration that may be caused by future economic growth.

In this Chapter we will first briefly discuss the background to the Bhutanese development path, which is closely linked to Buddhist economic principles (Section 4.2). In Section 4.3 we will then present the research methods applied in our survey of 775 respondents throughout the country. The results of this survey will be discussed in Sections 4.4 to 4.6, and in Section 4.7 we will reflect upon these findings.

4.2 Bhutan's development policy: the Middle Path Strategy towards Gross National Happiness

Being a Buddhist country, Bhutan's development policy is primarily influenced by Mahayana Buddhism. Buddhist economists, like Payutto, Phrabhavanaviriyakhun, Schumacher and others, argue that in a Buddhist society the lifestyle is strongly influenced by the Buddhist way of life, which is based on the principles of the Noble Eightfold Path[22]. Schumacher argues that Right Livelihood, the fifth path, touches upon economic aspects of Buddhist life and forms the basis of economic principles (Schumacher, 1966). It embraces the relationship between three interconnected aspects of human existence: human beings, society and the natural environment. Maintaining the balance among these enhances the quality of life for the individual, for society and for the environment (Payutto, 1988; Phrabhavanaviriyakhun, 2001). Welford argues that this Buddhist principle could even be extended to enhance sustainability in western economic practices (Welford, 2000). In essence, the Buddhist perspective is that development is a holistic process, which should be directed to meeting the material, social and spiritual needs of human beings (Wickramasinge, 2000).

This approach can be seen in the national policies of Bhutan and its commitment to sustainable development, which is defined as a process "*to raise the material well-being of all citizens and meet their spiritual aspirations, without impoverishing our children and grandchildren*" (RGoB, 1990). Sustainable development has a special meaning and appeal in Bhutanese society, since it supports harmonious co-existence with the natural system, which is consistent with the common Buddhist beliefs. This relationship is manifested in peoples' beliefs that high mountains and deep ravines, ancient trees and rocks are the abode of spirits, gods and demons. Disturbing these elements would enrage these spirits and bring ill luck, sickness and death to families. By contrast, appeasing these spirits would be rewarded with luck, peace and prosperity (Ura, 2004).

In line with these views, Bhutan's development strategy is guided by the philosophy of Gross National Happiness. This concept expresses a preference for happiness over accumulation of material wealth and the development path therefore rests on the four so-called pillars of development:

- sustainable and equitable economic development;
- ecological preservation;
- cultural preservation;
- good governance.

The development philosophy therefore states that the country should pursue a balanced or Middle Way development strategy. It is based on the belief that moderate consumption leads to the realisation of true well-being or quality of life. Or, as the old Bhutanese proverb puts it *"it is better to have milk and cheese many times than beef just once"*, implying that short-term gains must not override long-term benefits (RGoB, 1998). In this sense, the Middle Path implies avoiding extremes or seeking moderation in order to achieve the overall goals, thus causing less ecological impact.

As in other developing nations, there is urgency in the drive to achieve and sustain economic progress. This is demonstrated by the framework of the Middle Path Strategy model (Figure 4.1), which encapsulates the four pillars of Gross National Happiness. The government identified three avenues of development for triggering growth: hydropower development based on integrated watershed management; forest management and agriculture development based on sustainable practices; and industrial development based on clean production technology (NEC, 1998; RGoB, 1998).

The Middle Path strategy was formulated within a traditional governmental context of a closed, enlightened and centralised monarchy. With the prevalence of the uniform Buddhist belief system in the country, it was assumed that the people of Bhutan would broadly support this route. It is of the utmost importance that actors within the sphere of the state, the market and of civil society think and act in the spirit of this Middle Path Strategy (Driessen and Glasbergen, 2002).

However, this assumed broad societal commitment has never been investigated and the growing economic and cultural impact of globalisation poses a serious challenge to it. The concept of Gross National Happiness also provoked international debate about 'what is happiness?' and 'how can one measure and operationalise it' and 'whether measurement is advisable' (Sharrock, 1999; Stehlik, 1999; Thinley, 1999; Hirata, 2003; Mancall, 2003; Dorji, 2004; Mancall, 2004; Prakke, 2004; Tashi, 2004). In international research these questions have been discussed extensively and approached empirically even in a cross-national context. According to sociologists like Inglehart and Veenhoven, human happiness shows a strong linkage with economic development. As a country moves from a subsistence-level economy to an advanced industrial society, people tend to be happier and more satisfied with their lives as a whole. However, as they move beyond a given threshold people begin to emphasise quality of life concerns such as environmental protection, lifestyle issues and non-materialistic values (Veenhoven, 1994; Inglehart and Klingemann, 1996). Remarkably, participants in this debate did not approach the question empirically and no one has previously asked the people themselves on this scale and depth
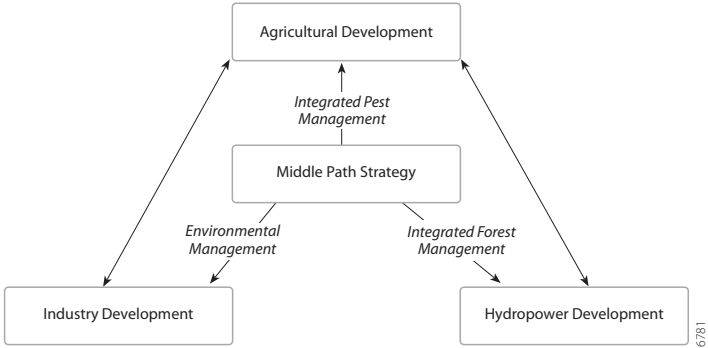
Figure 4.1 Web of dependencies within the prudent framework of economic development, ecological and cultural preservation and good governance.

Therefore, in this study, we intend to fill this knowledge gap by studying the people's perceptions and understanding of the four pillars of Gross National Happiness (GNH), thus contributing to theories on individual and societal happiness.

4.3   Research Methods

Data collection for this Chapter was carried out in June and July 2004. The information collected mainly concerns public perceptions and the implications of the four pillars of Gross National Happiness, the Middle Path Strategy and of individual happiness. Both primary sources and secondary sources were used. Primary data was collected by conducting structured interviews, as well as open interviews with government officials at the ministries and in the districts (see Figure 4.2). As secondary sources we used published and unpublished government reports.

The interviews covered ten out of the twenty districts in Bhutan. The geographical locations of interviews were selected on the basis of three main criteria: the ecological zone (identified as those districts that fall either in the conservation area or in the enclave zones), the level of development and the presence or absence of the influence of tourism. The respondents belong to each of the three major societal groups: the civil society (consisting of farmers, NGOs and the religious community), the market (represented by the business community) and the state (represented by civil servants, including teachers). In the selected districts, the representatives of civil society and the market were randomly selected. A total of 775 respondents were interviewed, of whom 41% represented civil society, 20% represented the market and 39% were state representatives.

Figure 4.2 Districts covered under study

Data were collected by using pre-designed and structured questionnaires. Post- graduate trainees from the Development Management Programme of the Royal Institute of Management conducted the interviews as part of their academic requirement. They were trained in research methods, interview techniques and report writing. Before the actual interviews were conducted, the questionnaires were pre-tested and reviewed in light of comments from the respondents.

The data were processed using SPSS software. We included questions about the respondents' perception and feelings about economic development, conservation of nature and culture, decentralisation policies and happiness. In our analysis we checked for significant variances in the answers of the three societal groups and of different regional groups. We analysed these differences by using basic descriptive statistical tools, i.e. frequency and cross tabulations. Differences between societal groups or regional groups were tested for significance applying Chi Square and rejecting differences where $p > 0.05$.

4.4   Gross National Happiness: how do people perceive and value the four pillars

As discussed in Section 4.2, the concept of Gross National Happiness has been translated into four pillars of development. This section presents the results of the research on these four pillars.

Sustainable and equitable economic development: the first pillar of GNH
The government of Bhutan will complete its ninth five-year socio-economic development programme in June 2007. We analysed the opinions of the people on the progress achieved so far.

In general, the Bhutanese are positive about the economic development achieved in the last decade. The vast majority of the people want the economy to grow. At the same time, people have enjoyed improvements in health (87%), living conditions (65%), communication (40%) and education (31%), which indicates that basic needs for general well-being were being met. Responses were mixed as regards the extent to which the benefits of development have been shared. Table 4.1 shows that only 19% of the respondents felt that the benefits of economic development were equitably shared to a 'large extent', while a large majority (67%) were indecisive, saying 'more or less'. More of the respondents representing civil society tended to

Table 4.1 Opinions of citizens about the equitable sharing of benefits of economic development (n=775)

Societal Group	Large extent (%)	More or less (%)	Not at all (%)
State	12.4	75.3	12.4
Civil Society	25.9	58.3	15.9
Market	18.1	67.1	14.8
Total	19.1	66.6	14.3

Chi-Square = 22.9, p = 0.00

think that the benefits of development have been shared equitably to 'a large extent' (26%) than in the other groups.

We also found that respondents from districts bordering on India said that benefits had to 'a large extent' been equitably shared more often than in the other two regional categories.

How do individuals value economic well-being, environmental preservation, cultural and spiritual well-being in their own lives? From Table 4.2 we see that on average economic, cultural and spiritual well-being are regarded as more important than environmental conservation. We also see that respondents in the state and market groups ranked economic well-being as most important (47% and 56% respectively) more often than respondents from the civil society, who tended to favour spiritual well-being (45%). There were no significant differences of opinion in the responses according to the remoteness of a region.

Respondents gave various reasons for their choice of values as shown in Table 2. The reasons most often cited were: 'without economic development environmental and culture preservation is not possible' (17%), culture gives a sense of 'national identity' (8%), and the environment provides a 'basic necessity' (6%), indicating that the environment and the economy are perceived to be inextricably linked.

Public opinion on the socio-economic pillar shows that people have experienced fairly balanced economic development in the past and that the benefits have been more or less equitably distributed amongst citizens, indicating a fair distribution of wealth. However, due to topographical difficulties some remote regions enjoyed less progress. This suggests that the development programme has been less effective in some remote regions than in other districts of the country. But it is noticeable that people living near the Indian border experienced less hardship. As a result, they appear to be more satisfied with the level of development than people living in the north. This may be explained by the fact that goods and services are more readily available near the border, the people are living in a warmer climate and the land is more fertile.

Conservation of the environment: the second pillar of GNH
Buddhism emphasises preserving nature and the sanctity of life. The importance of protecting nature has permeated Bhutanese consciousness and has become integral to the Bhutanese way of life and value system (RGoB, 1996; RGoB, 1999). All policy papers of the Bhutanese government therefore enunciate this philosophy. In this section we present the analysis of public feelings towards the importance of environmental preservation.

Table 4.2 Ranking of 'economic well-being', 'environmental preservation' and 'cultural and spiritual well-being' as most important value to individual lives (n=775)

	State %	Civil Society %	Market %	Average Total %
Economic well-being	46.5	32.1	56.1	42.5
Environmental preservation	26.5	24.6	14.8	23.5
Cultural and spiritual well-being	28.1	45.2	31.0	35.7
Total	100	100	100	100

The research shows that an overwhelming majority (99%) of the respondents rated environmental conservation as very important. This rating is very closely related to the perceived benefits emanating from conservation as shown by the results of the survey shown in Table 4.3. Two main benefits were highlighted: 'Maintaining Natural Resources' and 'Bringing Socio-economic Progress'. Two main benefits were highlighted. A large majority of the respondents (71%) believe that the environment provides the basis for socio-economic progress, while a smaller majority also believes that conservation also helps to preserve natural resources.

Asked about their familiarity with the government's environmental policy, 75% of the respondents said they were aware of the policy and 95% believed environmental policy would help protect the environment. When asked to rate the 'stringency' of the environmental policy (Table 4.4), 62% of the respondents said the policy was 'just right', while 28% said it was 'stringent'. Comparing the views of the different societal groups on this point, a relatively larger proportion of people from civil society (36%) said the policy was stringent than in the other two societal groups. Respondents from regions with more frequent contact with tourists also considered the environmental policy to be 'stringent' (32%) more than respondents in districts bordering on India (19%) and remote regions (29%).

The survey results indicate that there is an overwhelming support for the conservation efforts of the government. People show awareness of the benefits of environmental preservation and most of them have a clear motivation for this. This indicates that consistent efforts made by government and public agencies like the National Environment Secretariat, the Nature Conservation Division and the NGOs to educate people on the importance of preserving Bhutan's fragile mountainous ecosystem, are bearing fruit. The overall environmental policy appears to be just right. However, a relatively large number of people from civil society say it is stringent, indicating that their daily lives are impacted by the policy. This reality is reflected in

Table 4.3 Perceived benefits of preserving the environment (open ended question, n=775)

	%
Perceived benefits: maintaining natural resources	
Conservation of biodiversity	52.9
Prevention of natural disasters	51.7
Maintain clean environment	44.0
Perceived benefits: socio-economic progress	
Source of income/sustainable development	70.9

Table 4.4 Assessment of environment policy according to societal groups (%, n=775)

Societal groups	Liberal	Stringent	Just right
State	11.2	23.1	65.8
Civil Society	4.1	35.5	60.4
Market	13.7	25.5	60.8
Total	8.6	28.4	61.8

Chi-Square = 24.04, p = 0.000

the difficulties faced by farmers with the depredations of wildlife on crops as well as on domestic livestock.

Preservation and promotion of culture: the third pillar of GNH
The policy objective of the Bhutanese government also emphasises preservation and promotion of cultural and traditional values deemed pertinent for the country's distinct identity as a nation state (RGoB, 1999). Preserving traditions is essential for the functioning of a harmonious and progressive society (Box 4.1) and for achieving Gross National Happiness.

The survey results show that a vast majority (99%) of the Bhutanese people consider culture to be 'very important' and fully support its preservation. The reasons given were generally linked to national identity (90%), security (52%), income generation through tourism activities (15%) and conservation of a way of life (14%).

When asked about the importance of culture in sustainable development in general, a large majority of the respondents (97%) said it is important for sustainable development. Analysis of the views of the different societal groups as shown in Table 4.5 reveals similar results to those discussed above. However, more people from civil society stress that culture helps to preserve indigenous knowledge (23%), while state representatives more often say that it helps to 'maintain the value system' and stress 'respect as unifying force' (30%).

Table 4.5 Importance of cultural preservation for sustainable development (%, n=775)

Societal groups	Preserve national identity (%)	Respect as unifying force (%)	Preserve indigenous knowledge (%)
State	55.3	30.0	14.7
Civil Society	58.8	18.8	22.5
Market	68.0	15.7	16.3
Average total	59.3	22.5	18.0

Chi-Square = 20.84, p = 0.000

The data show that respondents in remote districts tended to put more emphasis on identity, whereas the people in contact with tourists stress that culture should be preserved as a way of life.

Public opinion on the cultural pillar shows that there is a common understanding amongst Bhutanese people that culture is very important as it serves to identify Bhutan as a nation state. Most people in the remote districts support cultural preservation, saying that it plays a symbolic role in Bhutanese society since it enables the people to differentiate themselves as a community from the rest of the world. This feeling reflects a sense of insecurity in the people due to the country's geopolitical position in South Asia. Culture is also seen as unifying force, a bond between people indicating that one nation with one culture leads to a harmonious society.

Good governance: the fourth pillar of GNH
Good governance has been promoted with the dual objectives of democratisation and development, and ultimately the goal of local self-governance. It is also recognised that bringing the decision-making process closer to local communities is seen as a primary step in the operationalisation of the vision of Gross National Happiness (RGoB, 2003). As this policy of decentralisation and public participation has been central to Bhutan's development process, we will focus on this aspect of good governance.

A programme for local governance started in the 1980s with the objective of engaging local communities in development activities. The formal organisational structure and procedures, including legal frameworks for decentralisation, have evolved over the last three decades. The establishment of development committees *(DYTs and GYTs)*[23] has involved the people in political, social and economic decision-making and enhanced their ability to set their own development priorities. This political process culminated in the enactment of the DYT and GYT Acts and the transfer of the chairmanship of the DYT to an elected public representative in 2002. This chair was formerly held by the state-appointed district administrator. Thus the new acts gave more power and legitimacy to this important development committee.

This study explored public opinion about the decentralisation process. The survey results show a high level of support and appreciation for the government's decentralisation efforts, which are rated as 'good' (96%). The reasons given by the respondents to justify this were that 'it promotes people's participation and empowers people' (55%) and 'it promotes balanced development' (23%). A small minority (6%) also said 'it enables them to have their voices heard in the National Assembly'.

In relation to the implementation of the decentralisation programme, we asked the respondents for their opinion on how local decisions are made and communicated to the central government. The survey results show that a majority (59%) of the respondents are of the view that decisions are made based on need and on a participatory basis, while 19% responded that the decisions are directed by the central government and 16% feel that the DYT chairman directs the decisions. This outcome suggests that decentralisation is taking effect in practice and people in the regions recognise the virtues of the new system of local governance. But the views expressed by the societal groups on whether decisions are directed by the chairman and the central government

Table 4.6 Societal views on how development decisions were made at the district level

Societal groups	Decision directed by chairman (16% n=126)	Decision directed by central government (19%, n=148)
State	54.4	35.7
Civil Society	25.6	44.7
Market	20.0	19.6
Total	100	100

Chi-Square = 20.43, p = 0.000 (Chairman); Chi-Square = 16.54, p = 0.002 (Central government)

Table 4.7 Views of societal groups on communication of local decisions to the central government

Societal groups	Fully	Partially	Not at all
State	24.5	73.8	1.7
Civil Society	42.9	55.8	1.3
Market	30.7	66.7	2.6
Total	33.4	64.9	1.7

Chi-Square = 24.69, p = 0.000

differ (Table 4.6). The respondents representing the state felt that the chairman of the DYT directs decisions (54%), while respondents from the civil society felt that the central government directs decisions (45%); the market representatives assumed a neutral position. The opinions expressed in the various regions also differ. Respondents from remote regions more often felt that the central government directed the decisions (30%) than respondents in regions in contact with tourists (17%) and regions located along the Indian border (13%).

As regards communicating local decisions to the central government, 33% said these are fully communicated, while 65% maintained they are only partially reported. Broken down by societal group, the results reveal that more respondents from the state group felt the decisions were partially communicated (74%), while relatively more people from civil society (43%) said that decisions are fully communicated (Table 4.7).

Looking at the perceived benefits and risks of decentralisation, most often perceived benefits are 'people's participation in development programmes' (50%), 'bringing need-based development' (38%) and 'opportunity to elect your own leader' (30%). The most frequently cited risks include 'risk of corruption' (58%), 'lack of capacity' (38%), 'inequitable leadership' (28%), while a small group also said decentralisation could lead to 'unbalanced development due to improper planning and understanding of the decentralisation policy' (11%).

The analysis of people's feelings indicates an eagerness to be personally involved in development activities. Significant numbers of respondents observed that local decisions are still directed by central government, suggesting that people feel they are not given total freedom to make their own local decisions. The survey also revealed that there is a concern that decisions are only partially communicated to the central government. This indicates two things. First,

it demonstrates the level of awareness of decentralised governance being created by the government. Second, it shows the dilemmas the bureaucracy is facing in transforming the traditional 'top-down' system. At the same time, it appears that people are also apprehensive about decentralisation because of the risk of corruption and the absence of sufficient local capacity, which could compromise development work.

4.5   The Middle Path Strategy as an instrument for GNH

Achieving balanced development by making a conscious choice between economic growth and conservation is the primary concern of the Middle Path Strategy. In this section we look more closely at public perceptions and support for this development strategy.

First, we asked whether people knew about the Middle Path Strategy. The results shown in Table 4.8 reveal that 52% of the respondents said they had no knowledge of the development strategy, but there was greater awareness among the respondents representing the state (64%).

Many of those who were aware of the Middle Path Strategy described it as an opportunity to achieve sustainable development by balancing spiritual and material needs (63%). A large group (32%) also said the Middle Path Strategy would not bring serious risks (Table 4.9). However, another group suggested there were risks, with 29% of the respondents saying that slower development due to the under-utilisation of resources could be a major risk.

Table 4.8 Knowledge and understanding of the Middle Path Steategy

Societal groups	Yes (%)	No (%)
State	63.8	36.2
Civil Society	35.9	64.1
Market	46.8	53.2
Average	48.0	52.0

Chi-Square = 47.79, p = 0.000

Table 4.9 Opportunities and challenges foreseen in the implementation of the Middle Path Strategy (open question, n=775)

Opportunities	%
Balanced development	63.2
Prove a model development for others	6.1
Improve economic welfare through increased sources of income	5.7
Achieve Gross National Happiness	4.5
Challenges	
No risk	31.6
Slow development due to under-utilisation of resources and lack of cooperation from local people	28.8
Misinterpretation	7.8

The overall results show that fewer than half of the people interviewed appeared to understand the Middle Path as a development strategy (48%). Interestingly, a large number of state representatives (36%) also said they were not aware of this strategy. This anomaly demonstrates the need for more campaigns to increase awareness of the importance of the strategy. But in general, people seem to agree with the philosophy, the spirit and the intent of the strategy. The survey results indicate that 88% consider the Middle Path Strategy to be the best strategy for Bhutan. This view suggests that people care for and strive to safeguard both the environment and culture in the drive towards achieving happiness through balanced development. However, some concerns were raised about the risk of a slowdown in development due to under-utilisation of resources, misinterpretation of the concept, difficulty in monitoring and lack of awareness. This indicates that people desire economic growth and a slowdown would disappoint the aspirations of the general public.

4.6   Perception of Gross National Happiness

In this section we discuss the perception of happiness among the Bhutanese people and assess the level of individual and societal happiness. Generally speaking, Bhutanese people perceive happiness as encompassing four aspects: economic, socio-cultural, environmental and political. People tend to attach varying degrees of importance to each of these aspects. In response to an open question on what in their view happiness is, our survey shows that 69% consider peace and security to be important, followed by material well-being and self-sufficiency (55%) and spiritual well-being (27%). The ecological aspect was mentioned relatively less often (7%) than the other three aspects.

Based on the general perceptions mentioned above, the respondents were asked to rank the presumed elements of happiness in order of importance at the national level. National security was accorded a high priority: 72% ranked it as 'very important', while the smallest proportion of respondents regarded material wealth as 'very important' (19%). However, material wealth and maintaining the natural environment were ranked as 'more important' by a relatively large proportion of respondents (41%) (Table 4.10).

Table 4.10 Importance attached to six elements constituting happiness at the national level (n=775)

Elements of happiness	Very Important (%)	More Important (%)	Important (%)	Less important (%)
Spiritual well-being	43.2	32.6	18.1	5.7
Material wealth	19.2	41.3	29.3	9.1
Secure social life	41.3	39.7	14.5	3.9
Maintain natural environment	37.3	41.3	16.5	4.1
Preservation of cultural heritage	48.5	32.6	14.5	9.1
National security	72.3	18.6	6.3	2.4

Figure 4.3 Level of happiness with respect to various elements (n=772)

Figure 4.3 shows the level of happiness at the individual level in Bhutanese society. The results show that the largest numbers of people feel 'very happy' (42%) with respect to cultural heritage, followed spiritual well-being (38% 'very happy'). The next most important sources of happiness are the natural environment (35%) and a secure social life (30%). The level of individual happiness related to material wealth is the lowest (17%) of all the elements.

Figure 4.3 also shows the level of Gross National Happiness in Bhutan at this moment, according to the respondents. The vast majority rank the level of GNH as 'very happy' (27%) and 'happy' (66%). At the same time, 7% rank the level of GNH as 'unhappy' and a small minority (0.5%) ranks the level as 'very unhappy'. Comparing societal groups, we observe that the level of 'unhappiness' (10%) is higher and the level of 'very happy' (21%) is lower among state representatives than among respondents in market and civil society groups (Table 4.11).

From the above analysis we can say that in Bhutan happiness rests upon four domains of the development ethos: achieving economic self-sufficiency, national security and maintaining ecological and spiritual well-being. These elements were consistently echoed even at the level of individual happiness. As a result, people's perception of happiness consists of a combination of feeling secure, acquiring basic needs and the presence of spiritual well-being. People tend to make a link to environmental quality less often, but the question on individual happiness shows that the natural environment also is seen as an important source of happiness, indicating that people still live close to the natural environment. The results for the three societal groups show that the state and the market representatives perceive higher levels of gross national unhappiness compared to civil society members. This tendency may very well arise from the fact that the first two groups include more educated respondents and they are more exposed to the outside world.

Table 4.11 Levels of Gross National Happiness in Bhutan, according to societal groups (n=775)

Societal groups	Very happy	Happy	Unhappy	Very unhappy
State	21.3	68.9	9.8	0.0
Civil society	33.0	62.3	4.0	0.6
Market	23.2	67.1	8.4	1.3
Total	26.6	65.5	7.1	0.5

Chi-Square = 20.83, df=6, p = 0.002

4.7   Conclusion

The development philosophy of Bhutan is guided by the concept of pursuing Gross National Happiness rather than simply maximising Gross Domestic Product. Promoting happiness as the development objective places the individual at the heart of all development efforts and recognises that the individual has material, spiritual and emotional needs. To achieve this goal, the National Environment Strategy, called the 'Middle Path Strategy' has been implemented. The strategic intention and the direction of this strategy is to lead the country towards a more sustainable future by taking a different, Buddhism-inspired route to development: The Middle Path. Based on our findings we can state that this unique national development strategy rests on the beliefs of ordinary citizens. We have shown that civil servants and people from civil society groups and the market fully support the spirit of the development strategy, although not always with a full understanding of the official concept.

In general, people in Bhutan are aware of the importance of the four pillars of Gross National Happiness: sustainable and equitable economic development, conservation of the environment, preservation and promotion of culture and good governance. This supports the validity of the development philosophy. Our study shows for each of these pillars that:

- the past results of development appear to have been equitably shared amongst the citizens, except in some remote districts that enjoy relatively fewer benefits. Districts closer to the Indian border were especially positive about the equitable sharing of benefits;
- there is full support for environmental preservation (99%) and there is a great awareness of environmental policy (75%). Most people are aware of the consequences of and reasons for government policy to protect the environment. One reason for such a high level of awareness could be the continuous efforts of the government to educate people on the importance of preserving the environment, explaining that collective efforts are essential for survival in a fragile Himalayan ecosystem. Our data show that these policies are effective in influencing the thinking of individuals throughout the country;
- culture is considered very important and there is overwhelming support for its preservation (99%). People believe that culture serves to identify Bhutan as a nation state (90%) and that it provides security (52%). This result can be explained by assuming that the people are aware of the strategic location that Bhutan occupies and of obvious threats to its identity and security;
- there is substantial support for the government's decentralisation programme (96%). People report that it facilitates public participation (55%) and brings about need-based development. At the same time, people are also apprehensive about the possible risks of decentralisation, saying it could encourage corruption at the local level (58%) and that there is a lack of local capacity. One reason could be that in recent years there have been irregularities during elections at district and local levels and the people probably feel this could grow as more power is decentralised.

Looking at the Middle Path Strategy, the results show that less than half of the people interviewed were aware of what the strategy represents. This ignorance is greatest amongst the civil society group (64%), followed by market (53%) and state (36%). These findings suggest that the strategy needs to be explained so that people know the intention of government policy.
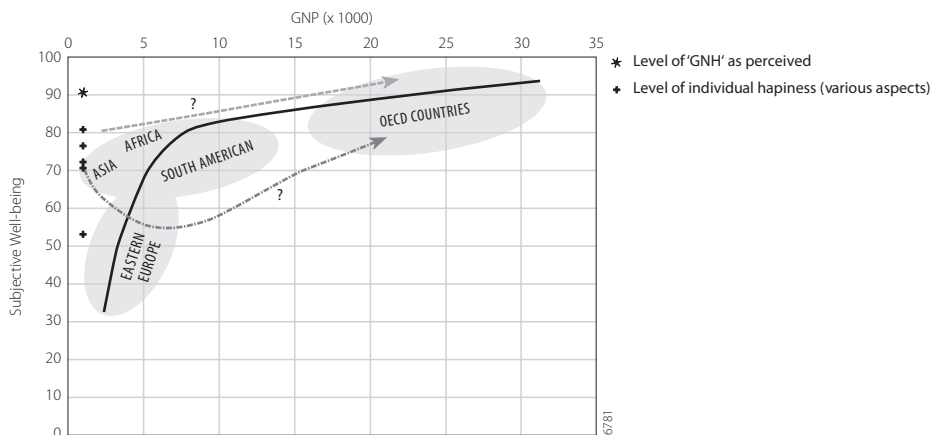
Figure 4.4 Subjective Well-being by level of economic development

Creating Gross National Happiness is the main aim of public policy in Bhutan. Our study shows what the people themselves actually perceive as being essential for happiness. In the Bhutanese society, happiness does not require material wealth alone, but a balance between economic development and ecological and cultural preservation, while spiritual values are considered equally important for the stability of the state. Our findings show that at the national level, national security, spiritual well-being, social life and cultural heritage are considered very important in bringing happiness, and that material wealth is considered less important for happiness. At the individual level the same importance is given to these elements, except for national security.

In general, our findings show that most people personally feel 'happy' or 'very happy' with respect to their spiritual well-being, the natural environment, social life and cultural heritage. The levels of happiness relating to material well-being were found to be lower. In assessing 'Gross National Happiness' a large number of respondents label the level of national happiness as 'very happy' or 'happy' (92%). When compared with information from cross-national studies, this is a high score for a country with a small GDP. Although the data provided here are not completely comparable with the data available in the various worldwide studies on happiness levels in nations, we can make the observation that Bhutan occupies a special position. We should clearly distinguish between individual and collective happiness here. As shown in Figure 4.4, the ambition of the government of Bhutan is clearly to follow the top straight line of development rather than the common V-shaped route.

This paper represents the first sociological study of the Bhutanese people's perceptions of the development philosophy, the strategy, and the capacity for implementation. It provides a snapshot view of the people's interpretation of the past achievements and the values that underpin the future direction they want to take. For decision makers, it throws important light on the level of popularity, understanding, and support for the development policy and the concerns it raises. The main elements of the development strategy are fairly widely supported by the Bhutanese people. However, there are also reasons for concern. We observe a certain level of uncertainty. This is

expressed in the high ranking of national security as an important aspect of national happiness. Furthermore, people seem to feel a lot of pressure related to both conservation of the natural environment and preservation of culture. The risk of corruption is also clearly present in people's minds. This indicates that the present phase of development in the country is very fragile.

5   Tourism as a Development Mechanism: the case of Bhutan

5.1   Introduction

This Chapter explores the effects of tourism development in Bhutan. As a small, land-locked country, Bhutan is able to preserve the environment and Buddhist culture in its natural state. Bhutan therefore occupies a special position in South-East Asia as a unique tourist destination. The national economy is primarily dependent on the traditional sectors of agriculture, animal husbandry and forestry. Among the modern sectors, electricity is generated from hydropower and exports to India constitute 12% of Bhutan's Gross Domestic Product (RMA, 2004). The tourism sector is another fast-growing service sector, which directly contributes 3.7% of GDP and accounted for 3.3% of domestic revenues in 2004 (RMA, 2004).

Tourism in Bhutan began in 1974 when western Bhutan was opened up to international visitors for the first time. Bhutan's tourism has undergone a transformation since the 1990s. In 1991 the state monopoly ceased with the privatisation of the tourism industry and the opening up of the business to Bhutanese entrepreneurs. This move was designed to foster private sector development and at the same time attract badly needed hard currency for the country's economic development. In light of its importance and potential, tourism was recognised as the key to private sector growth in Bhutan's 9th Five Year Development Plan[24] (2002-2007). However, to minimise negative impacts on the national socio-cultural and ecological heritage the country adopted ecotourism as the national tourism strategy and decided to pursue a 'high value, low impact' policy.

In this Chapter we will assess the impact of this policy and discuss the challenges posed by further growth of tourism. In Section 5.2 we briefly reflect on the concept of ecotourism. In Section 5.3 we present the policy approach of Bhutan and our main research question and in Section 5.4 we discuss our research methods. In Section 5.5 we analyse the special role of the government with regard to tourism. We then present our empirical findings on the socio-economic, environmental and cultural impacts in Sections 5.6-5.9. In Section 5.10 we discuss the challenges posed by future growth of tourism and the last section sets out the main conclusions.

5.2   Ecotourism as a mechanism for sustainable development

Tourism is the fastest-growing economic sector in the world, especially in developed countries. This growth can be attributed to changing lifestyles in the affluent societies, with people seeking more leisure and showing more concern for the quality of the environment (Veenhoven, 1999).

Travelling from rich countries to developing countries is a growing segment of this market. The need for leisure combined with the desire to enjoy serenity and pristine natural beauty and to experience different cultures forms the basis of overseas travel to exotic destinations. This rapid growth of tourism in the developing countries has raised expectations that tourism can be an agent of socio-economic development (Tapper, 2001).

Two broad categories of tourism have been identified: mass tourism and alternative tourism (Wood 2002). Over the years alternative tourism has been further segmented into nature, rural community-based and cultural events-oriented tourism. Consequently, the concept of 'ecotourism' was born out of natural tourism (University, 1992; Lumsdon and Jonathan, 1998). Nowadays, according to Hall (2004), ecotourism is often viewed as an easy entry to niche tourism markets, drawing on a perceived 'inexhaustible' supply of natural products and gesturing towards ideals of sustainability and environmental awareness. However, Hall (2004) also stated that the specific meaning and implications of the term are less than clearly articulated. At least three elements of ecotourism can be distinguished: first, the experience of close contact with nature and people from different cultures; second, the choice of forms of tourism that maximise revenues for poorer people rather than large (international) tourism companies; and third, reducing the overall environmental impact of travel (Flannell and Dowling, 2003). Different definitions of ecotourism place varying emphasis on each of these elements, but increasingly scholars tend to stress the combination of these three elements. In this sense Bjork (2000) argues that ecotourism is not farm tourism, nature tourism or adventure tourism, but a unique form of tourism that recognises the close relationship between good ecology and good economics. Wood (2002) speaks of *"Responsible travel to natural areas that conserves the environment and sustains the well being of local people"*.

On the institutional level, it is this combination that is stressed by the International Union for the Conservation of Nature and Natural Resources (IUCN), which defines ecotourism as *"environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features-both past and present) that promotes conservation, has low negative visitor impact, and provides for beneficially active socio-economic involvement of local population"* (Lascurian, 1996).

Basically, ecotourism implies balancing needs and impacts, linking local economic benefits in the supply chain of tourism on the one hand with preservation of ecology and social and cultural impacts of development on the other (Welford, 2000; Bramwell and Alletorp, 2001; Tapper, 2001). Experiences elsewhere, for example in Costa Rica, have shown that although it is the benefits that are stressed, adverse impacts can still occur (Glasbergen and Miranda, 2003). At least four groups of actors play a pertinent role in achieving the required balance: governmental authorities, the tourism business sector, tourists and local people (Bjork 2000). In this Chapter we examine the roles of these actors in the case of Bhutan. The question is whether the necessary balance has been achieved and can be maintained in the future. This is a very interesting case study in the field of ecotourism as it combines promotion of high-value ecotourism with a very specific form of government policy, which, as we show in the next section, can be labelled 'controlled liberalisation'.

5.3   Bhutan's tourism development policy

Tourism in Bhutan started in the 1970s. The approach was deliberately cautious, combining the experience of nature and culture with minimum impact. We can see this combined approach in the Bhutan government's contemporary perception of ecotourism, which it defines as *"styles of tourism that positively enhance the conservation of the environment and/or cultural and religious heritage, and respond to the needs of local communities"* (RGoB, 2001).

Having formerly pursued an implicit policy, Bhutan formulated its first National Ecotourism Strategy in 2001. Bhutan embraced the concept of 'ecotourism' when it described to the world the tourism development path it planned to follow. This tourism approach encompasses five main features:
*   its guiding principle is "high value, low impact";
*   it has developed from a state monopoly into a semi-controlled/semi-liberalised market;
*   the tourism market is restricted to domestic entrepreneurs, who are usually small-scale operators;
*   tourism is restricted to specific regions;
*   tourism is seasonal due to climatic conditions and the schedule of traditional religious festivals;
*   it is focused on nature and culture.

The *first feature*, the principle of "high value, low impact", is closely connected to Bhutan's overarching development philosophy that Gross National Happiness (GNH) is more important than Gross Domestic Product (GDP) (Rinzin, Glasbergen et al., 2006). This policy is founded on the firm belief that uncontrolled tourism will overburden Bhutan's limited facilities and threaten the country's traditional culture and values and its environment. Impacts of mass tourism on both the environment and culture in neighbouring countries were instructive in adopting this approach. This view has led the government to adopt a 'controlled tourism' policy to ensure regulated growth in a sustainable manner. Originally, this policy was implemented through a system of all-inclusive high tariffs for tourists and a set of administrative regulations designed to restrict accessibility to all parts of the country. For tourists this has added an extra dimension as the tourists are treated with a personal touch, they feel more like a guest than a tourist. The rates are now the same cultural visits and for trekking so they no longer have an effect on the type of tourism (Table 5.1). The choice is left to the tourists themselves.

Table 5.1 Fixed all-inclusive prices for foreign (non-Indian) tourists in Bhutan (US$ per night)

Seasonal Trek Year	Culture		Trekking	
	Season	Off season	Season	Off season
1986	130	90	85-130	85-130
1996	200	200	120	120
1997 to date	200	200	200	200

Source: RGoB 1997

Licensing policy was further liberalised in 1999 when the requirement to pay a security deposit equivalent to US$ 2500 was lifted. This move was aimed at encouraging more players to enter the market and so attract more tourists. Then, in 2001 the "high value, low volume" principle was replaced by the "high value, low impact" principle.

As for the *second feature*, in the early 1970s tourism was initially controlled by a state monopoly. By the early 1980s the commercial tourism activities were transferred to the Bhutan Tourism Corporation (BTC), a state monopoly which was created to manage tourism activities. Persistent pressure led to a major shift in Bhutan's tourism policy in the 7th Five Year Plan (1991-1997) when the government decided to privatise the tourism business and open it up to Bhutanese tour operators. Licensing was further liberalised in 1999 when the government waived the requirement for a bank guarantee for the equivalent of US $ 2500[25] to obtain a tour-operating licence. In addition, the Foreign Direct Investment (FDI) rule was relaxed. Bhutanese tour operators can nowadays seek international business partners provided each partner can invest a minimum of US $ 0.5 million.

Despite the liberalisation of entry into the tourism market, the operating practices in the tourism industry and the monetary flows are still heavily controlled by the government. In Section 5.5 we will briefly elaborate on the operational regulations. The high, fixed all-inclusive tariffs are not paid to tour operators directly but to the government, which in turn pays the tour operators after deducting royalties and taxes.

The *third feature* is that the tour-operating market has been mainly restricted to small-scale domestic entrepreneurs. That being the case, for a long time it has been protected from foreign investors and competition by government policy. The tour operators, hotel and restaurant owners and others involved in the tourism sector are small-scale businesses with an average of 10 employees.

The *fourth* and the *fifth features* are more or less dictated by external and physical conditions. Tourism has been confined to the western and central parts of the country. Access to some regions is not allowed for reasons of national security, while remoteness and lack of infrastructure prevent access to other areas. As we shall see in Section 5.6, tourists generally stay on average for about eight days. Due to rough topography more time is spent on travel rather than touring, thus it acts as a restricting factor for spread of tourism in remote regions. Furthermore, climatic conditions mean that the seasons suitable for tourism are relatively short and are confined mainly to the spring and autumn seasons.

Finally, according to a survey by the Bhutanese Department of Tourism tourists visit Bhutan mainly to witness the unique culture (34.4%) or the mountains and natural beauty (10.9%) (DoT, 2004).

Despite the relevance of tourism for the national economy, Bhutan does not yet have an explicit national tourism policy or legislation governing tourism, although there is a draft Bhutan Tourism Master Plan which is awaiting government approval. Nevertheless, tourism is receiving more attention as a core element in the national development policy. The revenue-earning

and employment potential of the tourism sector was recognised in vision 2020, the National Planning Commission's vision for the future. This report projected that tourism revenues will constitute 25% of GDP by the end of the 10th Five Year Plan (2012) and that revenues will increase by 100% by 2012. The vision further states that by the end of the 11th Five Year Plan (2017) tourism revenues are expected to increase by 150%. Contrary to the former 'low volume policy', the government now expects the number of tourists to grow to 15,000 in 2007, rising to 20,000 arrivals in 2012. This is more than double the 2004 figure. As a result, the report also highlights increased employment opportunities and contributions to more equitable distribution of income in the Bhutanese society.

In this context, the 9th Five Year Plan (2002-2007) looked at tourism with fresh insight and, as mentioned previously, the National Ecotourism Strategy was adopted with its policy of 'high value, low impact'. This implies that the marketing strategy for Bhutanese tourism will focus on the niche market of cultural and nature without limit on the number of visitors. The 9th Five Year Plan fully recognises the tourism sector as a catalyst for private sector growth but with specific development objectives, i.e.:
- to increase the contribution of tourism to the national economy,
- to generate revenues, especially foreign currency,
- to promote awareness of Bhutan's rich cultural, spiritual and ecological heritage elsewhere in the world.

However, the policy change from 'low volume' to 'low impact' challenges tourism development planners to adopt new perspectives. It will force them to find innovative ways of capturing the imagination of visitors in the new millennium. Strategies such as competitive pricing, alternative product development (community-based tourism, special niche interests), extending the tourism seasons and skilful international marketing hold the key to future of the tourist sector in Bhutan.

These developments bring us to our specific research question for this Chapter. In light of the original ambitions of Bhutan's tourism policy and the recent change to the 'high value, low impact' principle, our *core question* for this Chapter is: What are the socio-economic, environmental and cultural impacts of the tourism policy of Bhutan and what can be expected from the anticipated growth of tourism in the next decade?

5.4   Research Methods

To answer this research question we assessed the three types of impact mentioned in the question and analysed the practical implementation of tourism policy in Bhutan. For this policy analysis we used both interviews with state officials and senior managers in the tour operating sector as well as published and unpublished government documents. To assess the socio-economic impacts we analysed the added value in the tourism supply chain and the contribution of the tourism sector to the national economy. Both primary and secondary sources were used for the research. We collected the available national statistics and financial data about annual expenditures from a sample of six tour operators (two large, two medium-sized and two small). In addition, interviews were conducted with 46 tour operators and 45 hotel and restaurant owners. On the basis of the

findings we have been able to produce a flow chart of the distribution of the revenues from foreign (non-Indian) tourism in Bhutan's society.

The assessment of the economic and cultural impacts of tourism takes into account the perceptions of various stakeholders involved, including tour operators, hotel and restaurant owners and local communities. For this purpose, interviews were conducted with tour operators, hotel and restaurant owners and 97 households in various local communities that have been exposed to regular tourist visits. In addition, we used our own observations in the field in combination with available data.

The interviews with tour operators, hotel managers and members of local communities were carried out in August 2005. We used pre-designed, structured questionnaires. A group of twenty interviewers was recruited. Although they all had previous experience in data collection from remote rural locations they were given a week's training in the techniques of interviewing and in translating the questionnaire into the relevant local dialects.

The districts and villages where the interviews would be held were selected in advance in relation to trekking routes and cultural sites. The interviewers were then selected on the basis of the region they came from, as they would be able to communicate in local dialects. The physical fitness of the interviewers was also a factor as the job required strenuous trekking for days without proper food and shelter. Other criteria were their mastery of the local dialect and being unafraid of insects, leaches, wild animals or of travelling through thick jungles. In the course of their work the interviewers conducted observations of pollution on trekking routes (covering six out of the approximately 13 trekking routes). The assistance of various state representatives working in remote rural areas was requested through government channels.

The interviews covered eight districts encompassing the major tourist destinations (Figure 5.2). In these eight districts we interviewed 97 households who live along the trekking routes and near cultural sites and are also directly or indirectly involved with tourist activities. In Thimphu, the capital city, where all tour operators are currently located, 46 of the 104 active tour operators were randomly selected and interviewed in the same period. Furthermore, the same members of the interview team simultaneously conducted interviews with hotel and restaurant managers in six districts with a separate questionnaire. We interviewed 45 hotel and restaurant owners randomly selected from the 86 that are approved by the Department of Tourism for both international and Indian tourists. The data was processed using SPSS computer software and we analysed the results using frequency tables and descriptive statistics.

Before presenting the results of our analysis we will now briefly discuss the nature of operational regulation of the tourist sector in Bhutan.

5.5   Main actors involved in controlling tourism

Many actors shape the tourism business in Bhutan. The government still plays a leading role in regulating the tourism sector despite the liberalisation of the licensing. But in developing tourism

policies the government consults closely with the private sector and its representatives. This cooperation has been further strengthened since 2000 with the establishment of the Tourism Development Committee[26] (TDC), in which various government departments and the private sector are represented. The TDC is responsible for overseeing all matters relating to tourism development. The policies discussed in Section 5.3 were all first discussed in this committee.

Various departments in the ministries play a role in framing the tourism policy. The main state actor is the Department of Tourism (DoT, which falls under the Ministry of Trade and Industry), which regulates and controls tourism development through licensing, financial administration, operational regulations and capacity development.

Tour operators in Bhutan are governed by two main regulations:

- Bhutan Tourism Rules and Schedules of Tariff for International Tourists 1995. Essentially, this regulation covers the fixing of tariffs[27] and payment procedures, visa formalities, specify restricted areas for visitors, baggage rules for visitors and sets out a penal code for tour operators.
- Trekking in Bhutan Rules and Regulations 1996. These regulations spell out the rules relating to the use of trekking equipment and DoT-licensed trekking guides and the obligation to travel on approved trekking routes. Some of the rules and regulations are quite stringent. For instance, trekking regulations require tour operators to provide meals according to a prescribed menu, to camp at designated campsites, to carry cooking stoves and gas, not to make campfires and to carry back non-biodegradable garbage. A fine equivalent to US $ 120 is imposed for every violation of these rules. A third violation of these rules will result in the withdrawal of the licence by the Ministry of Trade and Industry/DoT.

In addition to regulating the practice of tourism, the government also actively supports capacity building in areas such as training of guides, restaurant service, front-desk service and marketing, all of which activities are financed through the government budgetary system. Budgetary support is also provided for infrastructure development, such as the construction of guesthouses, campsites, improvement of existing trekking trails, the development of new trekking routes and the development of new products like community-based tourism.

Several departments of other ministries are also involved in tourism by exercising control and through sector development. The Nature Conservation Division (NCD)[28] is engaged in tourism by managing resource-based tourism within protected areas and championing 'Integrated Conservation and Development Projects' (ICDP) which use ecotourism as a development tool. The Department of Culture is responsible for issuing visitor permits to all cultural and religious sites and for the development and promotion of the cultural and religious heritage. The Ministry of Foreign Affairs issues visas on the recommendation of the DoT. The Ministry of Finance plays an important role in tourism development through budget allocation and by enforcing financial discipline.

As already mentioned, the government of Bhutan develops its policies in close consultation with business and civil society. The Department of Tourism encouraged the formation of the first business sector organisation[29] in Bhutan, the Association of Bhutanese Tour Operators (ABTO), as a representative body for the tourism sector in 2000. By doing so it created a unified voice

for the business sector in dealings with the state and hoped in the process to strengthen the position of tourism in national policy. ABTO is responsible for advocating its members' interests and carrying out development and marketing activities. The Tourism Development Fund[30] was established with the government approval to facilitate these activities. It is used to finance the development of the tourism infrastructure.

Finally, we have to mention a relevant environmental NGO, the Royal Society for the Protection of Nature (RSPN), which also plays an important role in promoting ecotourism through conservation advocacy, conservation education and by developing community partnerships[31].

5.6   Development of the tourist market (1990-2004)

In this section we will discuss the development of tourism over the last 15 years, with the emphasis on the most recent changes. We will look at the volume and composition of the tourism market on the supply side (the tourism business) and the demand side (the tourists).

Local market share. Starting with the supply side, the market was opened to private tour operators in 1991, starting with 33 licensed tour operators. This number trebled to 94 in 2001 and then grew steadily to 169 in 2004. In the search for customers Bhutanese tour operators depend entirely on the co-operation of foreign travel agencies in the developed world. A few large tour operators have constantly dominated the top four positions in terms of market share since 2000 as shown in Table 5.2. They include one private limited company, one locally-based international chain and two local operators. These were also among the first to enter the market in 1991 and, with the exception of International Tours and Treks, were founded by entrepreneurs who had already gained experience in the former state-owned Bhutan Tourism Corporation. Together they have controlled over 48.72% of the total market since 2000. However, their combined market share has been declining in the last three years (both in relative and in absolute terms), due to the entry of new competitors to the market, except 2004. The competition is expected to stiffen in the future when new international firms that have entered the market in collaboration with local tour operators start operating at full capacity.

Table 5.2 Market shares of the largest Bhutanese tour operators (number of tourists from 2000-2004)

Tour operators	2000 (%)	2001 (%)	2002(%)	2003 (%)	2004 (%)
Bhutan Tourism Corp. Ltd	12.09	9.98	11.02	8.91	12.13
Etho Metho Tours and Treks	17.48	18.11	13.75	15.32	10.63
International Treks and Tours	10.68	11.18	9.73	7.63	6.96
Yangphel Adventure Tours	8.47	8.57	9.48	5.83	6.04
Combined market share of top 4 (%)	48.72	47.84	43.98	37.69	35.76
Total number of Visitors	7559	6393	5599	6261	9249

Source: NSB 2005.

To analyse the basis of ownership, we surveyed 46 tour operators who were active in the market. The results show 36 tour operators were family owned, six were companies and four operators were run as partnerships, indicating that the tourism business provides a good basis for family occupation. A large majority of them depended on foreign tourists for their income (84.8%), while some 15.2% were dependent on both foreign and Indian tourists.

Tourist arrival trend. Developments on the demand side reflect those on the supply side very closely. Figure 5.1 shows the trend over the last twenty-one years. Prior to liberalisation, the number of tourists visiting the country was fewer than in 2000. However, after liberalisation in 1991, there was a period of strong growth of over 30% in the period from 1991 to 1992, followed by steady annual growth of over 11% on average. This growth slowed temporarily in 2001 following the 9/11 terrorist attacks in the United States. The recession in the Japanese economy was another partial explanation. But strong growth has again been recorded in the last two years (2003 and 2004). In 2004 the number of visitors increased by 47.7% compared with 2003. In 2005 the increase in tourist entries will be even higher than expected, since by the end of the third quarter the number of tourist entries had already passed 10,000.

Apart from the liberalisation of licensing, increases in airline capacity also contributed to the tourism boom. The national airline, Druk Air Corporation, introduced larger airplanes in 2004 and added two 180-seater AIRBUS319 planes to the existing fleet of two 90-seater BAe 146-100 aircraft. The recent expansion of tourist infrastructure and hotel development, marketing,
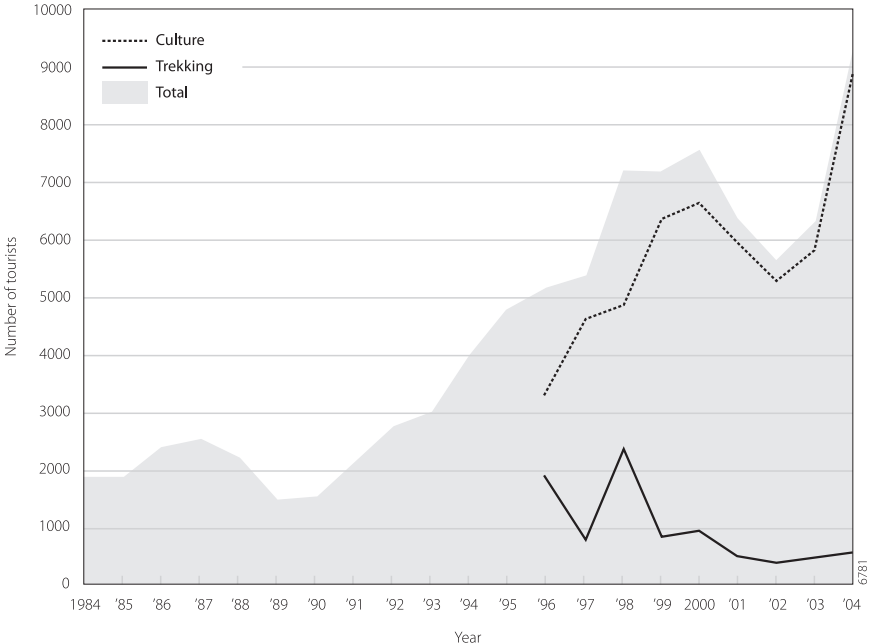
Figure 5.1 Development in tourists entering Bhutan (and main objectives) Source: RGoB 1997; RGoB 2001; DoT 2004)

new product development and terrorist problems in other parts of the world have contributed to this growth. But entry points are still restricted. There are currently only two entry points into Bhutan – via Druk Air to Paro or by road from Phunstholing, the border town in India. Both of these entry points are situated in the west.

Figure 5.1 shows that tourists visiting Bhutan are divided into two main interest groups. Tourism was initially marketed internationally with two main products: trekking and culture. Until 1997 there were different tariff structures for trekking and culture (see Table 5.1). In 1997 a uniform tariff of US$ 200 per day was introduced for both trekking and culture. Since then there has been a decline in the trekking market segment in relation to the cultural segment. However, trekking groups stay longer on average in terms of bed nights than cultural tourists. According to some tour operators, the declining trend in the trekking segment was attributable to the higher trekking tariff as a result of the government's decision to adopt a uniform tariff structure.

In recent years a few specialist Bhutanese tour operators have started venturing into niche markets through product differentiation. The visitors are categorised as 'special interest groups' with interests including bird watching, fishing, botany, traditional medicine, mountain biking, rock climbing, religious study and meditation. Some individuals, particularly from Asian and US markets, are attracted by Buddhist culture. Few operators have also sprung up recently in response to theses special needs as it requires good guiding and interpretation skills.

Main markets by geographical region. Bhutan's foreign tourism market (excluding visitors from India) is dominated by the North American and West European market segments. Table 5.3 shows that the North American market started dominating the market from 2000 with market share increasing sharply from 23.4% in 1999 to 39.9% in 2000 and 37.9% in 2004. This market segment is growing. The North American market is followed by the West European market, but the relative share of this market has been declining over the years although it is still growing in absolute numbers. The Japanese market segment has been declining since the mid 1990s. For Bhutan, the North American and West European market segments are the most important and together they accounted for 73.4% of all tourist arrivals in 2004. In general, the average length of a stay is approximately eight days; the Swiss and Austrians stay relatively longer (11 and 10 days) and the Japanese stay relatively shorter (6 days).

Table 5.3 Analysis of major markets by geographysical region (1993-2004)

Main markets	1993 (%)	1997 (%)	2000 (%)	2004 (%)
North America (USA & Canada)	23.4	19.6	39.9	37.9
Japan	21.3	21.9	11.6	11.8
Western Europe	48.1	44.5	36.8	35.5
Australia	1.9	2.3	2.4	3.4
Others	5.3	11.7	9.3	11.4
Total	100	100	100	100

Source: RGoB 2001; DoT 2004.

No official data exist for Indian leisure visitors. Indian tourists can enter Bhutan as free and independent travellers either by Druk Air or by road with their own transport. According to a national workshop, an estimated 30,000 Indian visitors entered Bhutan in 2002. This group constitutes an important market segment for small hotels, restaurants and taxi operators.

Distribution of bed nights in different regions: The wider distribution of bed nights could lead to a more even distribution of income in more remote parts of the country. But rough terrain and difficult access by road are major obstacles to tourism development. As a result, most tourists circle Thimphu, the capital city, Paro, the town with the international airport and the Punakha triangle. As Figure 5.2 shows, tourist visits were concentrated in only eight of the country's twenty districts. Among those eight districts, most bed nights were spent in Thimphu and Paro, which together accounted for 54% in 2000, rising to 60% in 2004. The other two districts close to the capital (Punakha and Wangdi) accounted for 22% of all bed nights in 2004. Other regions in central Bhutan – Trongsa and Bumthang – saw their share of bed nights decline from 19% in 2000 to 17% in 2004. The remaining more remote regions in the far east and the south attract hardly any visitors since these regions are not officially open to tourists and scarcely any tourist facilities exist.

Seasonality of tourism: Tourism in Bhutan is strongly influenced by climatic conditions and cultural festivals. Figure 5.3 shows that March, April and May in the spring season and September, October and November in the autumn season are the most popular tourist seasons. April and October alone account for almost half (46%) of all annual bed nights. These two months are not only congenial for trekking but also coincide with religious festivals. The seasonality of tourism causes serious problems in view of the limited facilities and limited

10% Percentage in 2000
10% Percentage in 2004

GASA
4% 2%

LHUNTSE

YANGTSE

PUNAKHA
10%
14%

PARO
26% 30%

THIMPHU
34% 24%

BUMTHANG
13% 14%

WANGDUE
PHODRANG
5% 8%

HA

TRONGRA
5% 4%

TRASHIGANG

MONGAR

SAMTSE

DAGA

TSIRANG

ZHEMGANG
0 0

PEMA-
GATSHEL

SAMDRUP
JONGKHAR

CHHUKHA
2% 4%

SARPANG

20 km

6781
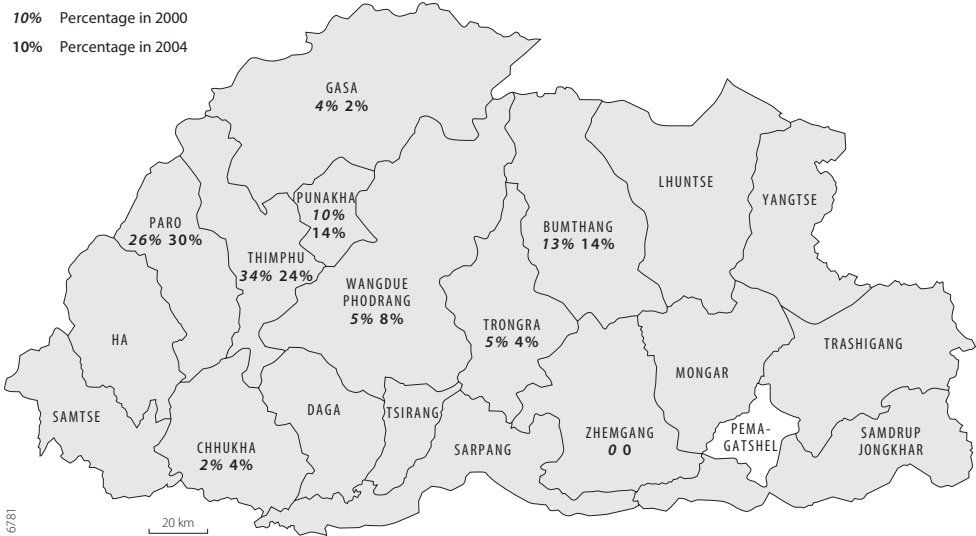
Figure 5.2 Percentage of bednights spent in regions

Average percentage bednights per month

| | 0 | 5 | 10 | 15 | 20 | 25 | 30 |

January
February
March
April
May
June
July
August
September
October
November
December

6781
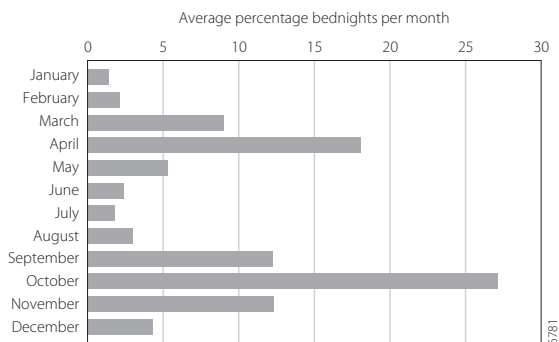
Figure 5.3 Average % bed nights per month (2000-2004). Source DoT 2004; RGoB 2005

number of trekking routes. Tour operators first encountered this problem during the October season in 2005 at the Bumthang cultural festival and on a half-day trek to "Tiger's Nest" in Paro. The seasonal nature of tourism has been a cause of concern for the government. Efforts are being made to attract visitors in all seasons.

Until now it was assumed that the seasonal nature of tourism was due to the timing of major Tsechus[32] and weather conditions during the four seasons. However, a survey conducted by DoT in October 2004 revealed that for 30% of respondents the timing of the visit was based on a recommendation by the agent, 17% based it on the schedule of Tshechus and only 14% based it on the expected weather (DoT 2004). This suggests that agents need to be provided with better information and that the times of Tshechus should be publicised better.

5.7   Socio-economic impacts

In assessing the socio-economic impacts of tourism, we will first look at the distribution of the benefits from tourism in the value chain in the related service sector before discussing tourism's importance for national economic development.

Figure 5.4 shows the inflows and outflows of revenue from tourism in Bhutanese society and beyond. Using financial data from tour operators, hotels, Druk Air Corporation, national statistics and the national budget and accounts we were able to create this flow chart showing transaction movements of major expenses incurred by tour operators and tourists. The figure gives an indication of the extent to which the fixed tariff of $200 a day and the additional charges (taxes and air ticket) contribute to the development of the country and improving the material well-being of the people.

The foreign agencies deduct 10% commission from the gross tariff paid by tourists ($200). Of the remaining 90%, the government takes 35% in royalties and 2% in tax. Another $10 per tourist per visit is deducted at source as a contribution to the Tourism Development Fund (TDF)[33], which is managed by ABTO. The net balance of approximately $113 (53%) is available to tour operators
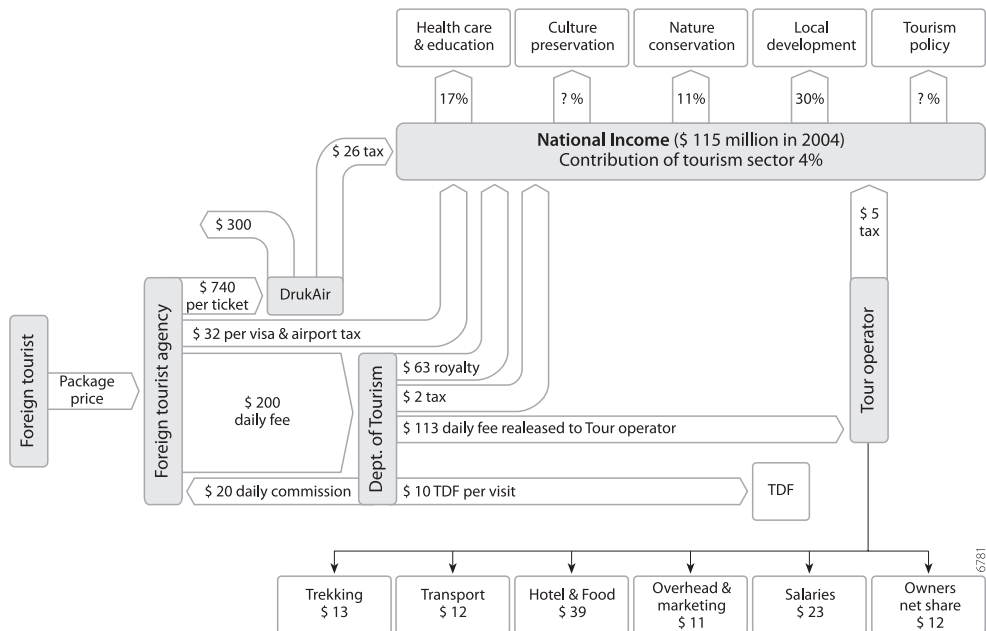
Figure 5.4 Flowchart of revenues from tourism in the Bhutanese society

to meet the costs of their business. Analysis of financial statements of ten tour operators showed that they spend an average of $39 on hotels and food and a smaller amount ($11) on administration and overheads.

In the service sector business transactions tend to follow a circular path: one party's expenditure forms the basis of another party's income. We asked tour operators to rank the top five items of expenditure each year in descending order. A large majority (71.7%) of the respondents ranked hotel expenses as the highest expenditure, followed by vehicle expenses (54.3%), marketing (8.7%) and salaries and rent (26.1%). Animal transport, which is directly beneficial to local people, is ranked the 7th highest item of expenditure (8.7%). These figures give an idea of the pattern of distribution of tourism revenues in Bhutan.

A similar survey was conducted simultaneously across the country among hotels and restaurants for foreign and Indian tourists. The survey covered 46 of the 68 DoT-approved hotels and restaurants. They were asked to rank the visitor categories in terms of importance to their income. The results are shown in Table 5.4. For most hotels local guests constituted a very important source of income (48.9%), followed by foreign tourists (37.7%). At the same time, 51.1% said foreign tourists were not important as a source of income, indicating that most small hotels depend on local tourists as their main source of income. This is typical of controlled tourism, where the operators arrange food and lodging in standard hotels and restaurants prescribed by the DoT. According to the DoT report, just nine accommodation providers accounted for almost half (48.53%) of all bed nights spent by visitors in Bhutan. Eight of these nine hotels are situated

Table 5.4 Main sources of income for the hotels (n-46, % of hotels)

Visitor categories	Very important	Important	Not Important
Foreign tourist	37.7	11.1	51.1
Indian tourists	13.3	15.6	71.1
Local guests	48.9	11.1	40.0

Table 5.5 Bhutan's import, export and trade balance in million Euro[35] (52.10 Nu = 1 Euro)

Particulars/Years	2000	2001	2002	2003	2004
Exports	88.596	95.869	60.099	68.841	158.755
India	84.011	90.220	53.544	63.770	148.974
Third country	4.585	5.648	6.555	5.072	9.781
Imports	151.152	172.557	192.824	222.014	357.764
India	119.603	134.142	145.366	196.325	195.660
Third country	31.549	38.415	47.458	25.689	162.103
Balance of Trade					
Total	-62.556	-76.688	-132.725	-153.173	-199.008
With India	-35.592	-43.921	-91.822	-132.555	-46.686
With Third Countries	-26.964	-32.767	-40.903	-20.617	-152.322

Source: (RMA, 2004)

in Thimphu, Paro, Punakha and Wangdue (in the west) and one is situated in Bumthang in central Bhutan.

Like the tour operators, hoteliers were asked to rank five items of expenditure in descending order. The results show 60% of the respondents ranked expenditure on meat as the highest, 44.4% ranked vegetables as the second highest expenditure, the third highest expenditure on groceries (86.7%), drinks (60%), jam, bread and honey (4.4%) and 13.3% included staff salaries as sixth highest expenditure. Our analysis shows that most of the edible items such as meat and meat products, groceries, vegetables, beverages etc. are imported from India (Table 5.5), as Bhutan do not have bases for producing these items. Through this supply chain a substantial amount of tourism revenue ends up in the Indian economy[34]. The balance of trade with India has increased by 31% from Euro 31.549 million in 2000 to Euro 195.66 million in 2004 indicating more import than export from India. However, 2004 trade statistics reveal there is a tendency to shift from Indian goods to third countries, which have increased from Euro 20.617 million in 2003 to Euro 152.322 million in 2004. It would be interesting to see how this trend moves in the future.

Cottage industries are another important sector of the economy, which is directly affected by tourism. The survey showed that most tour operators purchase Bhutanese paintings, Bhutan t-shirts and handicrafts as gift items. Similarly, tour guides observe international visitors buying handicrafts and souvenirs. Many of these craft products are produced locally in the rural areas and as such provide a good basis for self-employment. However, the government's taxation policy curbs excessive spending by tour operators on gift items. According to the tax rules, the

tax assessment is based on whichever is lower of the actual amount of expenses or 2% of the assessed taxable income (RGoB 2005)

Trekking activities reach deeper into the rural areas. According to tour operators, they support rural communities by hiring transport services, buying vegetables and dairy products and paying for food and lodging. We also interviewed 97 households in areas throughout the country most frequently visited by tourists about the benefits of tourism. A majority of those surveyed (80%) said they benefited from tourism either by providing transport (68%), porter services (55.7%), arts and crafts (35.1%), vegetables (29.9%), entertainment (28.9%), food and lodging (24.7%) and dairy products (15.5%). In addition to these interviews, we analysed the income earned from horses, yaks and porter charges during the period 2002-2004. The results show an average annual income from the hiring of horses and yaks amounting to an equivalent of US$ 527 and from porter charges of US$ 298 per family. The combined average household income in rural communities from tourism-related activities amounted to the equivalent of US$ 876 in 2004, representing a 16% rise compared with the income earned in 2003. Our data also reveals a negative correlation between the two sources of income in the same family, indicating that those families that were engaged in hiring horses or yaks were not available for porter services, and vice versa.

In assessing the overall contribution of tourism to the national economy the impact of domestic producers supplying goods and services to tourists cannot be identified in the national accounting system of the government as the figures are included in aggregated sectors like agriculture, manufacturing, wholesale, consumption, transport etc. However, a closer study produces a more specific classification of foreign and domestic providers of goods and services to tourists including:
• foreign travel agencies;
• hotels, guest houses and restaurants;
• souvenir shops;
• freelance guides;
• communication service providers;
• private car owners;
• Druk Air;
• gas stations;
• duty free shop.

These businesses provide services by engaging directly with tour operators. Revenue contribution from tourism through direct tax can be linked to three main sources: royalties, business income taxes (BIT) and corporate taxes and sales taxes. In the fiscal year[36] 2004/05 overall tax revenue collection was Euro 116.32 million of which tax revenue constituted 56% of the total revenue of which, royalties[37] from tourism accounted 3.95% (Euro 4.7 million) overall revenue. Other tourism related sources of tax revenue are business and income tax (6.98%) and sales taxes from hotels (0.48%). Altogether they accounted for 11.41% of total revenue. Tourism is also an important source of income for Druk Air Corporation, the national airline. During the financial year 2004, Druk Air's total revenue earning from sale of tickets to tourist was Euro 4.85 million, representing 48.7% of total income.

From the above analysis and Figure 5.4, it can be said that government expenditures on the promotion and preservation of cultural heritage, nature conservation, tourism policy and local development are directly related to the promotion of tourism. At the same time, they help to promote and maintain the spiritual well-being of the people as well as attracting more tourists. More tourists generate more income, which improves the material well-being of the people. Within this loop, both the material and spiritual well-being of the people are to some extent being met, thus adding to Gross National Happiness, the overarching development philosophy of Bhutan.

5.8   Environmental impacts

A second category of impacts from tourism we looked at were environmental impacts. We concentrated on the possible impacts from more intensive high mountain trekking activities (erosion, energy, waste) and from travelling. We base our findings on local observations by our team, on government data and on interviews with tour operators and local people.

What trekkers do in the mountains can lead to adverse environmental consequences in the long term. In Bhutan the trekking market segment has declined by 72.6%, from 1851 trekkers in 1996 to 507 in 2004. However, this number is likely to pick up again due to the renewed growth in recent years. The number of trekking-related tourists in 2004 increased by 42% over 2001.

Trekking activities are a special concern for the government. Most trekking activities take place at altitudes ranging from 1500 meters to 7500 meters above sea level. Although detailed trekking regulations and monitoring mechanisms exist, some form of environmental degradation is inevitable as the intensity of trekking increases. Thirteen trekking routes are currently in use,

Table 5.6 Intensity of use of trekking routes in Bhutan in 2004

	Trekkers	Days	Days on route	Trekkers per day on track	Trekkers pack animals ratio	No. of pack animals per day on track
Druk path	324	4	1296	11.6	1 to 3	35
Chomolhari	289	8	2312	**20.6**	1 to 6	**124**
Bhunthang Cultural Trek	236	4	944	8.4	1 to 3	25
Laya	202	13	2626	**23.4**	1 to 6	**141**
Gangtey	129	3	387	3.5	1 to 3	10
Lunana Snowman Trek	64	24	1536	**13.7**	1 to 6	**82**
Wild East Rodungla Trek	47	9	423	3.8	1 to 3	11
Samtegnang	42	4	168	1.5	1 to 3	5
Gangkar Phunsum Trek	17	8	136	1.2	1 to 3	4
Sinchula	5	4	20	0.2	1 to 3	1
Snowman via Nikachu	3	22	66	0.6	1 to 6	4
Dur Spring Trek	1	7	7	0,1	1 to 3	0
Dagala	1	5	5	0,0	1 to 3	0

Sources: Jordans, B. 2005

most of which are situated in the north-western region. Of the 507 trekkers who visited Bhutan in 2004, 84.7% used only five[38] of the 13 trekking routes currently open. These trekkers spent an average of 6.4 days on these routes, with a range from three to 13 days, which is shorter than the overall average stay in Bhutan of eight days. Other trekking routes are used less often but for more days[39] as they require physical strength and endurance.

In order to assess the intensity of use of these trekking routes we studied the ratio of trekkers to horses/yaks, since additional use of transport animals is important for estimating the impact. The short trekking routes are covered in three to four days, while the longest trekking routes take up to 24 days. The tour operators prepare differently for treks, depending on the number of trekking days required, their past experience and government trekking regulations. Generally speaking, for trekking routes taking four to nine days the ratio of tourists to horses/yaks worked out to 1:3, while the trekker to horse requirement ratio for treks ranging from 10 to 24 days comes to 1:6. This information can be combined with data on the number of trekkers on each route in 2004. Knowing that the peak trekking season is limited to approximately eight weeks around April and eight weeks around October, we can calculate the average number of trekkers and animals on a trek on any one day (Table 5.6). This analysis indicates that the Chomolhari, Laya and Lunana treks are the most intensely used routes; they are all high mountain routes in vulnerable environments.

It is possible to observe during a trek, as our interview team did, that investment in maintenance and development of trekking routes is negligible. As a result, some original tracks have already changed into deep gorges making it difficult for animals to pass easily. Erosion of delicate vegetation is a visible problem associated with tourism. Although tourism activities are not solely responsible for soil erosion in the high mountain areas, the use of horses and yaks for trekking do have a significant impact (see also Figures 5.6a and 5.6b).

Figure 5.5a and 5.5b Erosion on the Druk Path: The picture left shows the traditional stone paved path, not being used anymore, while the picture right shows the alternative route taken by large groups of horsemen just a few meters to right (the cut down tree is the same one) (Pictures by Vermeulen, 2005)

Other possible impacts relate to food and the use of energy for cooking. The shopping list for trekking groups reveals that tinned food, bottled juice and water account for 90% of edible items. No survey covering all trekking routes was carried out to assess the waste disposal problem. However, 35 of the 45 tour operators interviewed in our survey (78%) believe that the adverse environmental impacts from trekking are minimal. According to trekking guides and tour operators, three main factors contribute to this positive result. Firstly, Bhutan's trekking rules and regulations are stringent and they are tightly monitored by DoT[40]. Secondly, most visitors are highly educated and older. Thirdly, their main objective for visiting Bhutan is to witness the pristine natural environment and the beauty of the landscape[41]. Hence, they are unlikely to be negligent with the environment.

Our survey team members also observed clean trekking routes and found scarcely any signs of environmental pollution caused by trekking activities at the sites they visited. However, environmental concerns in the context of the Bhutanese trekking programme must also be understood from the perspective of rural development and its impacts on the related service sector. Greater demand for transport animals, such as horses and yaks, encourages people to increase the size of domestic herds for transport contracts with the tourism industry (Dorji, 2001). This in turn adds to the limited carrying capacity of the fragile mountain ecosystem (Gyamtsho, 1996). It should also be noted that one of the major causes of loss of biodiversity is overgrazing by livestock. The camping and grazing by the transport animals may very well lead to additional environmental degradation. According to (Dorji, 2001), tourism is causing a shift from the original sustainable farming and crop-growing pattern towards more profitable and less sustainable livelihoods to meet the needs of affluent tourists. Further scientific research in this area is therefore required to assess the long-term environmental impacts.

A final form of environmental impact we have to consider is the travelling by tourists. Some of the tour operators argued that the environmental impact from tourism activities in Bhutan is minor compared with the impact of the overseas flights coming to Bhutan from the USA or Europe. To consider this point we investigated whether any of the tour operators adopt any of the environmental compensation schemes for flying, such as the tree for travelling schemes[42]. None of the tour operators interviewed knew about the application of such compensation options.

5.9   Cultural impacts

The third relevant category of impact we assessed was cultural impacts, based on local observations by our team and on interviews with tour operators and local people.

Tourism in Bhutan is also highly regulated with respect to conserving local culture, including dress codes and rules for access to important Dzongs, monasteries and local festivals depending on the sensitivity of the local community. The Department of Cultural Affairs implements these regulations by issuing entry permits to specific restricted areas. They also certify cultural artefacts that are allowed to be taken out of the country. In construction, the architectural design of buildings, including tourist hotels and lodges, must be Bhutanese or the municipal authority will
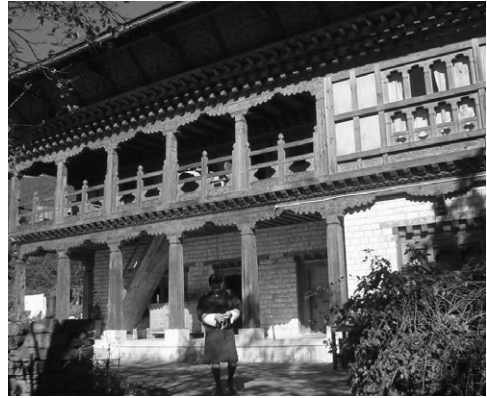
Figure 5.6a and 5.6b Low Numbers of tourist amongst large number local people watching a religious festival (Tsechu in Jakar, 2004) and modern tourist lodge adjusted to Bhutanese buildings traditions (Pictures by Vermeulen, 2006)

reject the construction plan (see also Figures 5.6a and 5.6b). Tourists are forbidden from entering Dzongs and monasteries if the guide is not in proper Bhutanese attire. It is also forbidden to take pictures of statues, images and paintings inside the monasteries. It is the responsibility of the guide to brief his guests; instances of improper behaviour by tourists, if reported by the residents, could lead to the tour operator being fined.

Low budget tourists, especially visitors from India, generally stay in cheaper hotels and use local taxi services for travel. The Road and Safety Transport Authority (RSTA) has made it compulsory for all taxi drivers to wear Bhutanese dress everywhere and at all times. All these actions illustrate the government's attempts to minimise or avert western influence on Bhutanese traditions.

According to our survey, 79.1% of the tour operators believe the negative impact on culture is minimal for the reasons discussed above. They argue that the fact that tourists are highly qualified and mature individuals who stay for only a short period and above all that the tourists are guided and follow approved itineraries, makes it difficult for them to mingle with local people.

Tour operators actually believe that tourism has a positive effect on traditional culture as it is helping to revive Bhutanese traditional arts and crafts. Some people produce large quantities of Bhutanese arts and crafts as a source of income, while young Bhutanese follow courses in arts and crafts as a professional occupation. A few examples of these activities are painting, wood carving, tailoring, cloth weaving and bamboo basket weaving. In addition, personal contributions from tour operators and some generous tourists have helped to restore monasteries, revive and revitalise local mask dances and improve visitor gallery and sanitary conditions.

Finally, we also asked local people who come into contact with tourists whether they appreciate foreign visitors. To this 94% of the respondents answered that they like foreign visitors to visit their villages. We also asked them how they feel when they meet foreign visitors (happy, disturbed, embarrassed or indifferent). To this 71.9% said they felt happy, 3.1% felt disturbed, 2.1%

said they felt embarrassed and 22.9% replied that it made no difference to them. When asked whether foreign visitors influence their way of life a large majority (79.8%) said tourists do not have an influence on their way of life. However, according to a tour operator, the October 2005 tourist season produced a disturbing scenario that could recur in future when the festival venues, hotels and lodges and some trekking routes were seen to be crowded with visitors.

The results presented in this section indicate that the impacts on culture are minimal at the moment. This could be due to open-mindedness of Buddhist culture. Meeting strangers is considered part of the karmic cycle and therefore viewed as an essential element of the journey of life. However, with modern education and the development of virtual technology, the individual worldview is changing fast. Hence, a cautious approach is still the best option.

5.10   Discussion: combining low impacts with future growth?

The above analysis shows that the 'high value, low impact' policy is fairly successful, but in some places the intensity of tourism in the high season is felt to be creating some incidental problems. This can be attributed to the high growth rates in 2004 and 2005. Problems mentioned relate to logistics, with over-booked hotel accommodation, congestion at cultural festivals, crowded campsites due to a shortage of camping grounds on some trekking routes. These types of problem strike at the very heart of Bhutan's tourism: the image of remoteness, exclusivity and serenity due to low volumes appears to be diminishing. So the question is: how can low-impact tourism be achieved while at the same time increasing the number of tourists.

Both the government and the tourism sector are discussing possible options. Possible options for addressing the volume of tourists include:
• opening up the eastern regions, thus promoting economic development in other remote areas;
• reducing seasonality (including Christmas holidays in lower regions);
• expansion of existing trekking routes and development of new routes, including some in other regions;
• development of new cultural events for tourists;
• development of new special interest products (like community-based tourism and fostering domestic tourism, trout fishing, traditional medicine and hot springs, river running etc.); and
• increasing the number of entry points (allowing tourists to enter and exit along the eastern border – Samdrup Jongkhar).

All of these solutions could further contribute to the distribution of benefits to more remote local areas. But they all require investment by both private entrepreneurs and the government to develop the infrastructure including hotels, roads and the development of trekking routes. They may also require new regulations, such as allowing entry to restricted areas or to national parks or permission to build hotel facilities. In this respect various governmental agencies are dependent on each other and both private and public actors are waiting for others to take the first step.
    The Association of Bhutan Tourist Organisations (ABTO) and the DoT are rethinking future tourism development along these lines. Some large tour operators have already started

exploring new trekking routes at their own expense. Our interviews and the survey results revealed some concerns about the pace of effective concerted action. With a growing number of visitors every year, 67% of tour operators felt that more investment was needed from the government in roads, promotion, guide training and trekking routes. The tourist exit survey in 2004 echoed the suggestions for road improvements (15%), improvement in hotel standards (beds, services, water) (14%) and better air services (11%) (DoT 2004).

A second category of solutions is somewhat in line with the 'controlled liberalisation' policy. Focussing on the main problems mentioned above (logistics, crowded festival grounds and trekking routes) forms of regulation, either government regulation or self-regulation, may be needed. The ABTO is now developing a computerised hotel booking system to improve hotel bookings. The number of tourists attending a Tsechu may be limited and planned. This could be arranged among the tour operators themselves. Similarly, joint planning and scheduling of trekking programmes may be needed for trekking routes to avoid overcrowding at campsites. Further regulation of tourism activities may seem highly undesirable at first but a closer look reveals that if visitors are charged high prices they also expect a correspondingly high level of service. The assumption that tourists visit Bhutan to experience unique culture, nature and exclusiveness and therefore do not demand quality service may be unfounded. In this respect, the tourist sector requires elaborate operational regulation and human resource development in the related service sector.

5.11   Conclusion

In this Chapter we analysed the tourism policy of Bhutan. That policy is guided by the overarching principle of 'high value, low impact'. Thus it is a substantial element of Bhutan's development strategy, which is aimed at sustainable development. In Bhutan, tourism is expected to contribute to a wider and more equitable distribution of income in the Bhutanese society. Bhutan has therefore chosen a tourism development policy that can be labelled as 'controlled liberalisation'. Liberalised because it aims to contribute to capacity building and the socio-economic development of a free private sector; and controlled because it is intended to prevent negative impacts on the unique nature and culture of the country. In this paper we studied the economic, environmental and cultural impacts. Our main conclusions are:

- the tourism sector is a fast-growing service sector in Bhutan, with growth expected to continue for the coming decade. A large majority of businesses in the tourism sector are owned and run by families. A small number of large tour operators and hotels dominate the market but their control is declining due to new market entrants and innovative product development by some operators. Hence the tourism sector has created a fair and healthy playing field for competition.
- Government exercises strong control over tourism, with detailed operational guidelines, rules and regulations for tour operators and guides and for tourists themselves. Many government departments are involved in the tourism market with their own sectoral agenda. This may be detrimental to the overall tourism development policy. A comprehensive integrated policy is still lacking and various stakeholders stress the need for a stronger and clearer government policy.

- The revenues from tourism constitute an important source of income for the nation and a fair amount reaches small family businesses and local communities, although much of it does not reach the most remote areas. Rural communities benefit from the trickle-down effect of tourism revenue by selling local produce, goods and handicrafts and providing food and lodging. In 2004, the annual average local income from tourism was US$ 874. Tourism provides additional income and generates self-employment. Hence tourism development has the potential to avert urban migration from rural areas and to keep alive the local culture, arts and crafts.
- The 'high value, low impact' policy can be judged a success in the last few decades. To prevent environmental impacts, detrimental activities like the use of wood as fuel for cooking and leaving trash are tightly regulated and monitored. Local communities respond very positively to tourists visiting their communities and say that negative impacts on their culture are generally non-existent. However, in the high season some problems of congestion have been reported in the last two years at some of the most intensively visited cultural events and on some trekking routes.
- There is a general feeling both in the tourism sector and in government that continued growth, eventually up to double the volume of 2004, needs to be carefully managed in order to prevent adverse effects. The position of tourism in national policy appears to be weak. The tourism sector is ready to enter a niche market with new products, but concerted action together with the relevant authorities is needed to successfully adhere to the 'high value, low impact' principle.

Bhutan holds a very special position in international tourism with unique attractive features and the extraordinary policy of the country. The combination of serene natural beauty with a tremendous diversity of plants and animals living in a range from subtropical to high alpine ecosystems and a vibrant traditional Buddhist culture attracts visitors from all developed countries who are trying to escape from the rat race of western consumer society. The personal touch of this very extensive form of tourism is a major selling point. The tourists exit survey confirms that visitors get value for money when visiting Bhutan. Without doubt tourism is an indispensable component of the sustainable development policy of Bhutan. Using a very special form of 'controlled liberalisation' of tourism the government is able to bring economic progress to the country and share the benefits with the more remote areas. However, as discussed in Section 11 the contemporary challenge is to facilitate further growth while at the same time maintaining the attractive features (nature, culture, exclusivity) and enhancing wider distribution of the economic benefits.

6   The local communities' perceptions of nature conservation policy: a case study of the interrelationship between nature conservation and human well-being in Bhutan

6.1   Introduction

The need to study Bhutan

Bhutan has a strong nature conservation policy. This policy is firmly grounded in the principles of the country's development philosophy, which emphasises the importance of achieving Gross National Happiness (GNH) over Gross Domestic Product (GDP), and the firmly established ethos of conservation in Buddhism. Conservation is the central tenet of Buddhism (RGoB, 1996), which believes in preserving nature and the sanctity of life. As a result, the importance of protecting nature in all its manifestations has permeated Bhutanese consciousness and has become integral to the Bhutanese value system. Due to economic globalisation and a media boom, however, the Bhutanese are now increasingly exposed to the western lifestyle. This is creating tensions between the state, civil society and the market. The state imposes a strict conservation policy, while the market and the civil society strive for more material wealth. The challenge facing the policymaker is how to create a balance in the development process. To this end, an environmental strategy called 'the middle path strategy' has been adopted, the aim of which is to bring about balanced development by avoiding extremes in materialism on the one hand and environmentalism on the other.

The present study is premised on the hypothesis that conservation policy will be widely accepted in a Buddhist country even if it affects people's day-to-day economic activities. Our large-scale analysis tests this hypothesis for the first time and discusses the results in the context of the international debate on the effectiveness of different approaches to conservation in relation to local communities. The aims of the present Chapter are to analyse:

a. how nature conservation policy is defined and implemented in Bhutan;
b. how Buddhism influences the attitudes of local people towards nature conservation;
c. the level of acceptance of nature conservation policy in local communities;
d. the effects of nature conservation policy on the economic activities of local communities.

We expect the conclusions on these aspects to make an important contribution to the international debate. Before discussing the situation in Bhutan we will first briefly review the international discourse on nature conservation policies in developing countries.

International discourse on nature conservation policy
Development-based nature conservation in developing countries has been a popular topic in the developed countries since the 1990s. Development assistance for these countries has therefore invariably included environmental and nature conservation programmes. This conservation paradigm introduced the nature-society relationship (Abakerli, 2001) as an important step towards sustaining human well-being, i.e. preserving and at the same time utilising natural resources.

Until fairly recently a top-down approach was adopted towards conservation management, a legacy inherited from American and British colonial powers. The effects have been felt in African, Latin American and Asian countries alike (Buergin, 2003; Ylhaisi, 2003; Colchester, 2004; Fraga, 2006). As a result, the conservation paradigm faces three problems in developing countries.

Firstly, with its exclusionary models of land management through the establishment of 'national parks' the conservation paradigm denied indigenous peoples their rights (Colchester, 2004). All too often, social, economic and biological decisions in the overall development policy are taken with limited research and information (Kamppinen and Walls, 1999; Valutis and Mullen, 2000; Pullin and Knight, 2003; Natori, Fukui et al., 2005).

Secondly, the development of tourism has been a selling point for developing economies to commit to nature conservation programmes. According to Abakerli (2001), this has deeply influenced environmental policies in developing countries and has become a source of tension between the need for local people to earn a livelihood and the management of protected areas (Roper, 2000; Abakerli, 2001; Christopoulou and Tsachalidis, 2004).

The third problem lies in the failure to justify conservation on religious and cultural grounds rather than on purely economic or scientific ones. This has led to local people being sidelined when it comes to the management of protected areas (Sekhar, 2003). What is needed then is a strategy that could reduce the tension between the community and conservation management.

In African and South American countries conservation is regarded as a secondary issue, with priority being given to poverty eradication. Negotiation with indigenous peoples therefore represents one of the most critical challenges for the long-term future of natural ecosystems in the region (Fearnside, 2003). The support of these peoples for conservation is minimal since it tends to hamper their traditional access to natural resources and is felt to undermine economic progress in the region (Huber, 2001). A number of case studies have indicated that conservation is perceived as a Western desire to maintain 'pristine nature' in the developing world for tourism (Roper, 2000). Soto et. al. (2001) argue that in the context of today's world, conservation cannot be separated from human development and that where conservation does not take account of social and economic factors it is doomed to failure. They further argue that on the other

hand involving communities in policy formulation and management can promote successful conservation partnerships (Soto, Munthali et al., 2001; Fraga, 2006).

Sentiment in South Asia, including China, is different from that in Africa and South America. According to Maikhuri *et. al.* (2001), policy-people conflicts on conservation are as common in the Himalayas as elsewhere in the developing world, but vary enormously in terms of their nature and magnitude (Maikhuri, Nautiyal et al., 2001).

Case studies show that while people in China accept conservation policy they regard economic development as more important. The main problem is the lack of control over economic activities around the protected areas due to population pressure, which renders parks incapable of achieving their intended goal (Yang and Xu, 2003). Accordingly, in the Wolong Biosphere Reserve local people claimed substantial compensation for loss of land for crops to forest protection and for higher electricity prices (Chen, Yang et. al., 2005; Xu, Chen et al., 2006). Likewise, people in Mongolia, while they support nature protection, have shown no intention of reducing herd sizes or discontinuing grazing for the benefit of wildlife without compensation (Maroney, 2005).

Case studies in India reveal public support for the government's conservation policy, but conflicts have arisen over resettlement, restrictions on resource use, human/animal/crops conflicts and inadequate compensation schemes (Rao, Maikhuri et al., 2002; Rao, Maikhuri et al., 2003; Mukherjee and Board, 2004).

In Nepal, although attitudes to conservation are generally positive they are influenced by the way the people are treated. For instance, the attitudes of people living in and around parks and reserves managed by 'fences and fines' are different from those of people in areas where the Community-Based Conservation (CBC) approach is followed. People showed less regard for parks and reserves managed by the state where resource collection is allowed on a permit basis than for the CBC approach. This is because the resources are regarded as common property (Metha and Heinen, 2001). According to Maroney (2005), these conflicts can be resolved by allowing local representation in management programmes based on community involvement that provide direct benefits. Another way to engender local support is to implement Integrated Conservation and Development Projects (ICDPs) that meet the goals of the Convention on Biological Diversity (CBD) for sustainable use around the protected areas (Sekhar, 2003).

A survey by the WWF of the effectiveness of the management of almost 200 protected areas in 34 countries concluded that a consistent problem has been the 'failure to manage relations with people – local communities and indigenous peoples – and also the management of tourists' (WWF, 2004). In view of these problems, WWF International identified several challenges. The first was the question of how to develop a conservation policy which is based on the religious and cultural ethos of the local communities. The second challenge was to design an implementation strategy that guarantees the participation of the members of those communities. Lastly, there is the need to popularise nature conservation, making tourism development the key to socio-economic development of the local community without threatening the local culture and the ecosystem.

In conclusion, we come to the following general description of the major issues. The developed economies prefer to conserve pristine nature for leisure. Since there is no need to relocate local communities and there is no human-wildlife conflict, the general public rarely opposes the policies in their countries. By contrast, the majority of the population in developing countries still lives close to the natural world. The export of western ideology, scientific knowledge and management tools to the developing countries through development assistance creates an imbalance in the socio-economic dynamics. In Africa and Amazonia this raises the question of why nature conservation is necessary when basic human welfare is still lacking. Although this is not an issue in Asia, and particularly in the Himalayan region, where the need for nature conservation is generally accepted, the question remains which nature protection approach fits in best with the religion and culture.

6.2   Methods

Policy analysis
We employed different research methods in the search for answers to our research questions.

To start with, we carried out a policy review encompassing published and unpublished reports, documents and workshop reports of the government. We also interviewed government officials in the Nature Conservation Department, park managers and park rangers in the various field offices and district administration officials. We also interviewed an expert at the Nature Conservation Department who provides technical backstopping for park management at field level. Five park rangers and two district officials were interviewed.

Interviews with local people
Interviews with park residents were conducted in July 2005.
The enumerators were recruited on the basis of their experience and knowledge of the local language and culture. The research assistants who were selected were trained in research methods and interviewing techniques for a week. The interviews were conducted simultaneously in two parks, the Jigme Dorji National Parks (JDNP) and the Thrumsingla National Park (TNP), using a structured questionnaire. Lists of villages were prepared in advance in consultation with the park rangers in order to secure a representative sample of the views of people residing in and around the two parks. The respondents from these selected target groups were selected at random.

For the survey of local people one person was interviewed in each of 210 households in eight of the twenty districts in the country.

Local people residing in parks are wary about giving information and to collect information the prior approval of the government is required. Accordingly, approval was requested from the Secretary of the Ministry of Agriculture and once given that consent was formally communicated to all district administrators, park managers and rangers. Assistance was also requested through other formal channels wherever possible.

The data were processed using SPSS software and analysed using basic descriptive statistical tools, i.e. frequency and cross tabulations.

6.3   Study Area

Bhutan
Located in the Eastern Himalayas, Bhutan lies between two bio-geographical realms: the Palaearctic realm of temperate Euro-Asia and the Indo-Malayan realm of the Indian sub-continent. Bhutan provides a habitat for some 165 species of mammals, over 700 species of birds and at least 5,000 species of vascular plants. Although there are few endemic plant genera in the Eastern Himalayas, endemism is prevalent at the species and subspecies level. Consequently, by contrast with many countries Bhutan has both significant endemism and high biodiversity (RGoB, 2001).

Forest covers 72% of Bhutan's total land area of approximately 38,000 square kilometers. The system of protected areas was established in the 1960s. The system was reviewed several times between 1983 and 1991 with the help of the World Wildlife Fund's (WWF) Bhutan Programme. The result is that Bhutan's protected area system now covers approximately 26% of the country's total land area, with four national parks, one strict nature reserve and four wildlife sanctuaries. A further 9% of the land area is designated as biological corridors. Six conservation areas have also been established for the conservation of specific species such as the black-necked crane, the white belly heron and the tiger.
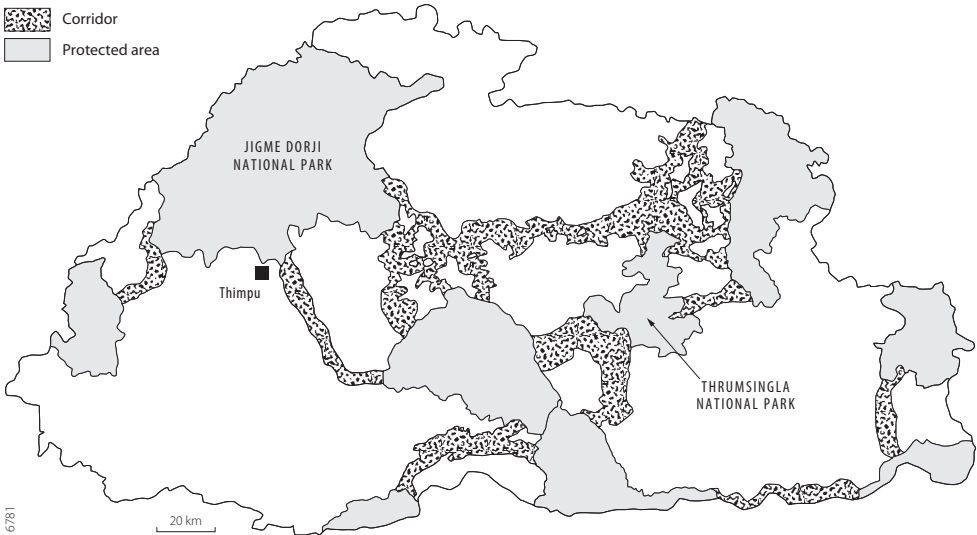
Figure 6.1 Research Areas

6.4   Two National Parks

Study Area 1: Jigme Dorji National Park (JDNP)
The Jigme Dorji National Park, covering an area of 4,393 km², was established in 1974 and is the largest of the four major national parks in Bhutan. It is located in the western part of the kingdom at 27°35' to 28°12'30" N and 89°16' to 90°17' E and lies at altitudes ranging from 1,400 to 7,000 meters above sea level. The northern boundary of the conservation area coincides with the border between Bhutan and China. The area covers the administrative jurisdictions of four districts, Paro, Thimphu, Gasa, and Punakha. The Jigme Dorji NP represents an important reserve of alpine glaciers, meadows and scrub lands, alpine and sub-alpine conifer forest, warm and cool temperate broad-leaf forest, rivers and streams, and the flora and fauna which constitute these ecosystems. Particular species of wildlife for which the park provides a home include blue sheep, takins, bears, musk deer, marmots, red panda and several species of pheasants. It is also a refuge for species, which are threatened or endemic to the region, like the tiger and the snow leopard.

Around 6,500 people, comprising about 651 households, live within the JDNP (RGoB, 2002). These local communities are directly or indirectly dependent on the resources in the park for their livelihoods. The economic activities of the population are park pastoralism in the north and subsistence farming in the south (Table 6.1). Households in the north depend on trading and selling yak produce in exchange for rice, chili peppers, salt, tea leaves, sugar, clothing and other amenities, whereas the communities living in the south of the park derive most of their livelihood from agriculture and contract labour.

Study Area 2: Thrumsingla National Park (TNP)
The Thrumsingla National Park was established in 1998. It lies at 27° 12' N and 90°44'-91°12' E and covers an area of 768 km² (Figure 6.1). Its elevation ranges from 1,000 to 4,000 meters above sea level. The park is located at the centre of four districts in the eastern and central region of the country, Bumthang, Zhemgang, Lhuntse and Mongar. The park is regarded as special since it combines all the different vegetation zones in Bhutan and contains 21 species that are endemic to Bhutan. Some 68 mammals are known to exist in the park. Tigers are found at altitudes between 2,840 and 4,000 meters. Some 341 species of birds, including globally threatened rare birds, are also known to occur around the park.

Table 6.1 Main economic activities carried out in the park areas

Park	Districts covered	Total Population	Basis of livelihood	Extraction of forest products
Jigme Dorji National Park	Thimphu Paro Gasa Punakha	6,500	Yak herding Semi-nomadic Dry land cultivation Paddy cultivation	Medicinal plant Codeycep Incense collection Timber, firewood
Thrumsingla National Park	Jakar Mongar Lhuntse Zhemgang	10,500	Yak/cattle herding Potato cash crop Shifting cultivation Cattle migration	Timber, firewood Cane and bamboo Lemon grass

Some 10,500 people live in communities in four districts in and around the park. These communities subsist mainly on farming and livestock rearing. There is year-round cattle grazing inside the park. Shifting agriculture is heavily practiced in these areas, which are also known for producing local artefacts from cane and bamboo (Table 6.1).

6.5   Results

Policy analysis
The government's overall policy objective for biodiversity conservation is to integrate nature conservation into economic development plans, with an emphasis on communities living within the protected areas and the buffer zones. The present analysis gives a brief background of the nature conservation policy, park management system and the existing rules and regulations.

Since the Forest Act of 1969, the basis of Bhutanese policies and laws pertaining to conservation have progressed from forest-based land management to sustained yield principles and approaches. The Act focused on traditional forest protection and introduced user permits. The revised 1991 Forest Act recognised the need for systematic management of conservation areas and to consider the economic needs of the local communities living in and around the conservation areas. This Act declared all non-private forestland to be government-owned forest reserves. In 1995, the National Assembly decreed that 60% of the country would remain under forest cover for all time. The amended Forest and Nature Conservation Act of 1995 therefore mandated the establishment of protected areas and the management system. The act also requires that the conservation of biodiversity should be guided by conservation values and benefit the Bhutanese people. Over the years, the government has issued several acts, regulations and orders, which provide the legal framework for the measures taken by the park managements to achieve the conservation goals.

Each national park prepared management plans based on the legislation. The basic park management plans include three management tools: zoning of park areas, law enforcement and Integrated Conservation and Development Projects (ICDPs) (RGoB, 2003). Park areas are zoned to demarcate different zones with the aim of developing ecologically and economically viable land use in the park and the adjoining areas, protecting wildlife and their habitats in the parks and meeting the needs of the resident communities without adversely affecting the ecosystems of the park. The zoning system includes core zones, multiple-use zones and buffer zones. The restrictions in effect vary from one zone to another (Table 6.2). Core zones are fully protected areas and no human-related use is permitted. Multiple-use zones are designated areas within protected areas where the aim is to encourage prudent socio-economic development for the local community and normal farming activities are allowed. These zones also include areas for settlement, agriculture, visitors, forest utilisation and grazing. Buffer zones are areas established to provide an additional layer of protection at the periphery of protected areas, where restricted or regulated use of natural resources is permitted.

The conservation policy does not, however, allow the displacement of resident local communities from the park areas. Therefore, if there is a cluster of communities within the core zone further

Table 6.2 Basic protection regimes for various zones based on the Forest and Nature Conservation rules

Activity	Restrictions within each zone		
	Core zone	Multiple use zone (within Park)	Buffer zone and corridors (outside park boundaries)
Construction of any nature	No	Yes, but only with permit	Yes, but not allowed in Govt. forest
Settlement or cultivation	No	Yes, but only with permit	Yes
Commercial logging	No	No	Yes, after consultation with park
Non-commercial logging	No	Yes, but only with permit	Yes, with permit
Grazing	No, except in case of traditional right & mgt plan is not violated	Yes, but only within designated area	Yes, but may be regulated in Government reserved forest
Firewood collection- dry	No	Yes, but only for local resident for domestic use	Yes, from nearby forest
Firewood collection-wet	No	Yes, with permit	Yes, with permit
Social forestry	No	Yes, but community forest only, otherwise with permit	Yes, after registration
Research	Yes with permit and in the mgt plan	Yes with permit and contemplated by mgt plan	Yes, but may be regulated in Government reserved forest
Taking wildlife	No	Yes, but only with permit	Yes, only in crop protection
Fishing	No	Yes, but only with permit and in designated fishing zone	Yes, but only with permit
Extraction of soil, stone, sand, mud- for domestic use	No	Yes, within 2 km radius of user resident	Yes, within 2 km radius of user resident
Extraction of soil, stone, sand, mud- for commercial use	No	Yes, within 50 feet radius of construction site only	Yes, but may be regulated in Government reserved forest
Miscellaneous non-timber forest products- commercial	No	Yes	Yes
Miscellaneous non-timber forest products- non-commercial	No	Yes, but only with permit	Yes, but only with permit

Source: (RGoB, 2003)

zoning of land use within that zone will be required, followed by regulation and monitoring according to the rules and regulations for nature conservation. The concept of zoning tries to address specific local conditions, such as the existence of traditional rules on grazing rights or the communal use of forest, and to combine them with sustainable use of renewable resources. The recent Forest and Nature Conservation Rules shown in Table 6.2 set out the legal framework for

implementing the management plans, which provides for a significant degree of decentralisation, land-use planning and the concept of management by zoning.

The ICDP programme is employed as a development tool to enhance the socio-economic potential of the local communities living in the park areas. The government's approach with this programme is to consider the local communities as a partner in conservation rather than as a threat to conservation. The park management process itself entails the need to involve and empower the local people. The concept of ICDP is intended to fulfil the dual objectives of promoting socio-economic development for people living within the park and supporting the government's biodiversity conservation efforts. The programmes include the provision of development services, environmental education and awareness, enterprise development etc. The objective of the ICDP is therefore to encourage community participation through the following planning process:

- the ICDP must be integrated in district planning cycles;
- the detailed planning of ICDP activities is prepared and discussed first at the local development committee meeting;
- the plan is then submitted to the district development committee for further discussion and incorporation into the overall district development plan;
- the district administration is responsible for its implementation.

Public perceptions of the policy and its impact on their lives

A total of 210 local residents and nine state officials in the two national parks were interviewed during this study. The results shown below represent the opinions of the local residents of the two parks. Wherever we found significant differences of opinions between the residents of the two parks we have reported the findings separately. Likewise, the opinions of the state officials are also mentioned where appropriate.

The Buddhist view of nature conservation

As Table 6.3 illustrates, Buddhism has an influence on people's attitudes. A majority of the respondents among state officials (62%) and in the local communities (67%) confirmed that Buddhism has a significant influence on their lives. Some 75% of the state officials and 71% of the local residents felt Buddhism had a major influence on their attitude towards nature conservation, while 25% of the state respondents and 27% of the local residents felt Buddhism had no influence at all. Furthermore, 53% of the local community mentioned the need to preserve sacred forest that had been inherited from their ancestors. Respondents were also asked to comment on several statements about the importance of nature. A large majority (81%) agreed that nature is an important source of food, while opinions on the exploitation of nature for income were equally divided, with 44% for and 44% against. Some 84% agreed that nature has its own inherent value.

People's perception of nature conservation policy and its impact on the way of life

In general, there is overwhelming support (97%) for the government's nature conservation policy, although 15% of the respondents from the local communities in the Jigme Dorji NP do not support the conservation policy. A majority (78%) of the respondents also said they were aware

Table 6.3 The influence of Buddhism on people's attitudes towards nature conservation (n=219)

Questions and reactions	State (n=9) %	Local people (n=210) %
How much of your present lifestyle is influenced by Buddhism?		
Very much	62.2	66.5
Some influence	25.0	33.1
Not at all	12.5	0.5
How is your attitude towards nature conservation attributable to Buddhism?		
Positive	75	71.4
Negative	-	1.7
Neutral	25	26.7
Are there any protected areas in your village that have been inherited from your ancestors?		
Yes		53.3
No		21.0
Not applicable		25.7
Do you agree with the following statements about nature:		
a) Nature is important as a source of food		
Fully agree		81.2
Agree to some extent		14.4
Do not agree		4.3
b) Nature is to be exploited for income		
Fully agree		44.4
Agree to some extent		43.7
Do not agree		12.0
c) Nature is something valuable in its own right		
Fully agree		84.1
Agree to some extent		15.3
Do not agree		0.5

of the goal of nature conservation. Furthermore, 82% felt the conservation goals were properly communicated to them.

Forty-three percent of the respondents felt the rules were strict and 32% considered them to be very strict, while 25% felt they were not strict (Table 6.4). The majority of these data came from respondents in Jigme Dorji NP. Some 52% of the respondents saw changes in the pattern of land use after the establishment of the park. Most respondents (61%) saw the ban on community forest management including ownership and carrying on activities in forests and on shifting cultivation practices as the main causes of the change in land use.

The opinion about changes in the amount of land under cultivation is mixed. 45% of the respondents felt the amount of land under cultivation had declined, while 43% saw there was no change and 13% said it had increased. Cattle migration, a serious concern of the government, was not perceived to have brought about any changes in the parks, but some 20% of the respondents claimed movement was restricted completely after the introduction of new conservation rules and regulations.

Table 6.4 People's perception of and support for government policy (n=210)

	Responses (%)
Do you think park management rules are:	
Not strict	25.4
Strict	42.9
Very strict	31.7
Has there been a change in land use since the establishment of the park?	
Yes	52.2
No	47.8
If so, what are the changes?	
Community forest and shifting cultivation practice disallowed	61
Government taking control of pasture land	17
Increased yield due to improved seed supplied	22
Area of land under cultivation increasing or decreasing?	
Increase	12.9
Decrease	44.8
Same as before	42.3
Did park establishment change traditional norms of cattle migration?	
Changed to no movement	3.8
Restricted movement	20.0
Same as before	76.2

Table 6.5 People's perception on the impacts of park rules (Jigme Dorji NP, n=83 and TNP, n=127)

	JDNP (%)	TNP (%)
Has there been a change in land use since the establishment of the park?		
Yes	13.23	75.98
No	86.77	24.02
Area of land under cultivation increasing or decreasing?		
Increase	22.97	14.95
Decrease	28.38	50.88
Same as before	48.65	34.2
Did park establishment change traditional norms of cattle migration?		
No movement	2.43	2.97
Restricted movement	7.23	26.56
Same as before	90.35	70.47

(Chi-square=87.265, 43.034, 71.419, all p0.000)

Opinions on the issues of land use and the effect of the rules and regulations on cattle migration differed significantly between the two national parks (Table 6.5). A significant majority (76%) of the respondents in the TNP felt that land use had changed since the establishment of the park, compared to 13% of the respondents in Jigme Dorji NP. Furthermore, 51% of the respondents in the local communities in TNP felt there had been a decline in land use, while only 29% said they had experienced decrease in land use in the Jigme Dorji NP. Respondents from the TNP

were also more likely to have felt that the cattle migration rules had affected their lives than the respondents from the Jigme Dorji NP

Socio-economic benefits and cost of nature conservation to the local communities
The government introduced Integrated Conservation and Development Projects (ICDPs) in the nature conservation areas with the goal of furthering the socio-economic development of the local residents and so reducing their dependence on the surrounding natural resources. Our survey shows that practically all respondents (99%) felt there had been an increase in forest cover in recent years, and the vast majority (98%) felt they enjoyed a satisfactory lifestyle since the area had been designated as a nature conservation area. Table 6.6 presents more specific results of responses with respect to ICDP activities. A majority of respondents reported significant improvements in a range of services: education (82%), agriculture (80%), animal husbandry (79%) and health (73%). The respondents also experienced improvements in forest resources (75%) and water supply (67%). However, services requiring a major capital investment, such as electricity, irrigation and farm roads do appear to have improved by a lesser degree.

Further comparison of local people's opinions on the provision of farm roads, irrigation and electricity (Table 6.7) reveals slight differences of opinion between the people living in or near

Table 6.6 Opinion on the benefits of parks (n=210)

Since the establishment of the park have you seen improvement in:	Yes	No
Education	81.8	18.2
Government subsidy for agriculture	80.4	19.6
Increase in quality of livestock	78.5	21.5
Increase in forest resources	74.8	25.2
Health facilities	73.1	26.9
Drinking water	66.8	33.2
Increase in extension service	64.3	35.7
Agriculture extension service	53.7	46.3
Electricity	38.0	62.0
Irrigation	34.9	65.1
Farm road	29.6	70.4

Table 6.7 Opinion on the benefits of parks between two parks (n=210)

Opinion on the benefits of parks		JDNP (%)	TNP (%)
Farm road:	Yes	46.2	27.6
	No	53.8	72.4
Irrigation:	Yes	39.4	45.7
	No	60.6	54.3
Supply of electricity:	Yes	31.1	41.2
	No	68.8	58.8

(Ch-square=86.78;.89.945, 41.485, all p=0.000)

one or other of the parks. Jigme Dorji NP has benefited more from road development, while Thrunsingla NP have benefited more from irrigation and electricity.

We then surveyed the adverse effects of nature conservation activities on the well-being of the local communities. The results are shown in Table 6.8. A large majority of the respondents (93%) felt the nature conservation rules restricted their use of timber and wood for fuel, while 75% of the respondents felt the harvest of non-timber forest products was also partially controlled by the government.

Table 6.9 shows the findings concerning the impact of wild animals on the local economy. Some 73% of the respondents felt that wild animals caused damage to crops; between one and four family members spent at least four months on average each year guarding their crops at night (71%). Wild animals that caused damage to crops were deer, wild pigs and bears (84%); bears

Table 6.8 Cost to the local people as a consequences of nature conservation areas (n=210)

Are there new rules restricting the use of timber and fuel wood?	%
Yes	92.9
No	7.1
How did they affect you?	
Banned the use	2.4
Banned to certain extent	92.4
Free use	5.2
How do new rules affect use of other forest resources?	
No restriction	12.9
Partially controlled	75.2
Fully restricted	0.5
Not applicable	8.4

Table 6.9 Cost to people – crop and livestock depredation by wild animals (n=210)

	%
Do you have cases of wild animals destroying crops?	
Yes	73.2
No	26.8
Do you spend time guarding crops at night:	
Yes	71.1
No	28.9
Which wild animals cause problems?	
Snow leopard/leopard/tiger (domestic animals)	30.0
Bear (crop/domestic animals)	41.9
Others (monkeys, deer, wild pigs, porcupine)	84.3
How is loss of livestock to predators compensated?	
Fully	8.6
Partially	68.6
Not at all	22.9

(42%) also caused damage to livestock, as did snow leopards, leopards and tigers (30%). The villagers were eligible for compensation for the loss of livestock to tigers or snow leopards, but it was only partially compensated (69%) and 23% said they did not receive any compensation at all. On the other hand, no compensation was available for crops destroyed by any kind of wild animal. The state respondents agreed on the incidence of wildlife depredation on crops and livestock, but 89% said the compensation scheme was only applicable to livestock depredation and was currently funded from the WWF tiger compensation scheme.

Analysis of the opinions of the respondents from the different parks shows that more respondents from Thrumsingla NP (93%) than from Jigme Dorji NP (70%) tend to believe that wild animals destroy crops.

Table 6.10 Perception of respondents concerning use of certain non-timber forest products free of charge for payment or being unaware of any rules (see table 6.2, n=210)

Non-forest products	Free (%)	For payment (%)	Not applicable (%)
Food for personal use	74.8	24.8	0.5
Fuel wood for domestic use	30.0	70.0	0.0
Collection of medicinal herbs	39.8	49.7	10.5
Medicinal herbs for commercial use	24.7	64.9	10.3
Cane and bamboo for domestic use	32.0	56.2	11.9
Cane and bamboo for commercial use	12.3	67.3	20.5

Table 6.11 Impacts on local culture and traditions (n=210)

	%
What kind of traditional arts and crafts produced?	
Clothes	21.6
Hats	18.3
Bamboo materials	33.3
Other	26.2
Have park rules changed the production of these arts and crafts?	
Yes	23.7
No	76.3
How did park rules change the traditional way in which community forestry management was practiced?	
Given full support to old system	17.9
The old system was adapted	9.0
Introduced the new system and ignored old	62.2
Not applicable	10.9
How does the new system affect ownership?	
Remains community property	55.1
Changed to government property	44.9
How does it change your attitude?	
Positive	68.5
Negative	31.5

Table 6.10 shows how the Forest and Nature Conservation rules have affected the use of non-timber forest products. Harvest of non-timber forest products such as food for personal use was free (75%), while fuel wood for domestic use (70%), medicinal herbs (65%), and cane and bamboo for either commercial or personal use (67% and 56% respectively) had to be paid for. It should be noted that a minority of the respondents interpreted the rules falsely and still believe that the products mentioned above can still be gathered free of charge.

Impact on local art, culture and property ownership
Table 6.11 reveals the impacts of the new rules on local arts and crafts. In the areas we surveyed the local communities produced at least four kinds of arts and crafts. Some 76% indicated that the park rules did not affect these arts and crafts. However, 24% of the respondents felt the permit system had adversely affected their work. According to 62% of the respondents, the new system ignored the traditional norms of resource management. Nevertheless, 69% of the people are still positive towards nature conservation policy.

6.6   Discussion

The role of Buddhism in attitudes to conservation
Basing conservation policy on religion and local culture can be a success factor with the traditional local communities. Our present study explores how local communities perceive nature conservation rules and regulations from the perspective of Buddhist principles. The majority of the respondents among state officials and residents of local communities agreed that Buddhism had a major influence on their lives (Table 6.3), although this influence seems to be weaker than expected. Nevertheless, Buddhism seems to have a strong influence on attitudes towards nature conservation. Many local communities seem to respect traditional beliefs by preserving sacred forests. They consider the forest to be an important source of food, but not as something to be exploited for economic gain. Most people also see it as a valuable source of spiritual health (84%). This indicates people's close ties with nature as a provider of economic sustenance and spiritual well-being. It also indicates that Buddhism has some influence in shaping people's attitudes towards the environment.

Buddhism looks at nature differently than other religions. For Christians, God's world is a good place which He gave them to live in and have control over (White, 1967; Nelissen, Straaten et al., 1997). Muslims believe that God's world is good and that life is good when they submit to God. For Hindus, everything – animals, birds or humans – is part of the Supreme One (Palmer and Bisset, 1989). For Buddhists, everything in this world is 'impermanent', including material wealth. Buddhists believe that all lives are interconnected and thus abstention from killing living creatures lies at the heart of Buddhist moral values. Another belief is the theory of 'karma', the karmic cycle of birth and rebirth, the law of cause and effect. Buddhists believe that a person can be reborn in any form, for example as a god or demigod in the upper realm or as a human or an animal, depending upon the merits accumulated through virtuous deeds (UNESCO-UNEP IEEP, 1996). These virtues take the form of a gentle non-violent attitude towards living creatures (Silva, 1992).

Impacts on traditional rights, use of resources and attitudes to conservation

Nature conservation policy and park regulations in Bhutan have significant effects on the economic activities of the local communities. These regulations include the ban on shifting cultivation practices, community forestry management practices and increasing government intervention to control pastureland and wildlife depredation of crops and domestic livestock. Some of these actions may be responsible for a decline in land use for agricultural cultivation (Table 6.4).

The implications of these findings can be explained in relation to the local food security and the national economy. Recent figures show that agriculture contributed 26.2% to the total economy and provided a livelihood for 79% of the population in 2003 (CSO, 2005). This contribution came from 7.7% of the land available for cultivation (RGoB, 2004). Shifting cultivation is practiced on 64% of the 7.7% of the land under cultivation; the ban on shifting cultivation could therefore have a significant impact on the local economy and also on the national economy, since the possibilities for agriculture are limited by nature conservation policy.

Restrictions on the use of forest resources and wildlife depredation of crops and domestic livestock have been the subject of international discussion, including many recent studies in the Himalayan region. Exclusion of people from the forest to protect biodiversity often antagonises local communities (Arjunan, Holmes et al., 2006). Our study shows that in Bhutan a large majority of the people feel that the use of timber, fuel wood and other forest resources is controlled. Restrictions on these traditional user rights tend to exert undue pressure on the people, while at the same time they tend to take less care of the resources as they feel they have become common property.

The present study revealed the government's disregard for the traditional norms of the local people. The nature conservation rules have ignored the traditional norms of resource management and introduced new rules (Table 6.11). The restrictions on the use of non-timber products also appear to have affected the production of traditional local artefacts. A recent study on community forest management yielded similar results (Wangchuk, 1996). This may be attributable to a colonial-style, top-down approach to forestry management which is largely influenced by donor countries (Buergin, 2003; Colchester, 2004).

Nomadic pastoralist and conservation issues

Cattle herding is the principal economic activity of the nomadic pastoralists living in the nature conservation areas (Table 6.5). In view of the fragility of the Himalayan mountain ecosystem, the migration of cattle and their intensive grazing pattern are a source of concern to the government. Concerted efforts have been made to reduce the size of the herd in recent years. Recent studies on the impact of cattle grazing in the alpine and sub-alpine region have found that cattle grazing and seasonal migration pose a serious threat to the ecosystem due to overgrazing (Gyamtsho, 1996; Gyamtsho, 2002; Norbu, 2002; Roder, 2002; Ura, 2002; Wangchuk, 2002). One of the reasons given was the lack of control of grazing at the boundary between government forest and individual pasture land (Gyamtsho, 2002; Norbu, 2002). Our survey shows that in Bhutan the establishment of the parks did not have any effect on cattle migration (Table 6.5). However, this may not pose a serious threat, since Gyamtsho (2000) and Roder (2000) concluded that

moderate grazing is stimulatory and beneficial to range land ecosystems, especially in the alpine and mid-alpine region.

Conservation policy and human–wildlife conflict

Wildlife depredation on crops and domestic livestock is a widespread problem in developing countries, but many recent studies have shown that it appears to be more prevalent in the Himalayas (Rao, Maikhuri et al., 2002; Mukherjee and Board, 2004).

Wildlife depredation on crops and domestic livestock is rampant in Bhutan. Between one and four family members invest at least four months a year on average in warding off wild animals (Table 6.9). During this study, the visit to the Jigme Dorji NP was marked by such incidents. Over two nights a snow leopard killed a bull and a mule and injured another bull. At the same time a bear attacked the poultry shed of a household and destroyed all the animals. These incidents appear to be daily occurrences for those communities in and around the park areas.

Compensation appears to be either inadequate or non-existent. Compensation is only granted for livestock that is killed by exotic species like the snow leopard and the tiger. No compensation is paid for crops that are damaged or for livestock killed by other predators. Interviews with local people and the park officials reveal that there is no institutional funding mechanism in place. The present compensation scheme is funded entirely by private donations from a foreign individual and the administrative procedures appear to be complicated and lengthy. It seems as though the compensation scheme is a temporary scheme designed to sway local communities and to earn credibility in the initial stage of implementing conservation rules and regulations. This could backfire if the government later adopts a more callous attitude (Rao, Maikhuri et al., 2002; Sekhar, 2003), possibly leading to retaliatory action against the predators. Another related consequence has been observed in a recent study of rural-urban migration conducted by the Ministry of Agriculture. Some 3% of the rural-urban drift was attributed to crop damage by wild animals (RGoB, 2005), and unless there is a permanent solution rural- urban drift is likely to intensify in the future. These problems appear to be common in all the countries covered by recent studies in the Himalayan region (Rao, Maikhuri et al., 2002; Mukherjee and Board, 2004).

Conservation as a basis for income generation

The conservation efforts have been promoted as a way of addressing the needs of the local communities to earn a livelihood and encouraging sustainable practices (Arjunan, Holmes et al., 2006). The benefits could result either from the direct investment made by the government in the protected areas or from the survival of some forest products as a result of conservation efforts. The direct benefits come from investments through ICDP activities, development services and the employment opportunities provided by the park management.

Ecotourism

Although the government does not advocate nature conservation as a means of promoting tourism (by contrast with other developed and developing countries), local communities gain from porter charges, supplying animals for transport services etc. On the contrary, tourism activities in many conservation areas were prohibited until fairly recently. However, the idea of ecotourism has been evolving lately, presumably influenced by donor countries.

Harvest of exotic mushrooms

Another important but latent benefit to local communities is the liberalisation of harvesting of high-altitude mushrooms, Cordyceps and Masutake *Tricholoma*, which grow in pine forests in both the parks covered by the study. The harvesting of Cordyceps was banned until 2004, but controlled harvesting has now been introduced (Namgyel, 2005). According to the Ministry of Agriculture's marketing division, the average price of a kilogram of dry cordyceps at auction during 2004/5 was $ 1,194. During a visit by the first author to one of the auction yards in Jigme Dorji NP in 2005 the highest price achieved was $ 1860 per kg. The harvesting of Masutake is a community-managed activity but its success is hampered by poor access by road, the perishable nature of the crop and dependence on foreign markets. The average farm-gate price in 2005 was $ 10 per kg. The local communities have benefited from sales to local customers.

Employment

Employment opportunities for local communities appear to be another incentive for better participation in nature conservation. Although community participation in conservation management is considered important for generating local support (Sekhar, 2003; Ylhaisi, 2003; Maroney, 2005) the involvement of local residents in park management is typically low in developing countries (Colchester, 2004). This study shows that the participation of communities appears to be high, which may be due to the ICDP programme (Sekhar, 2003). One reason is that the park management employs local people as guards, caretakers or local information officers on a temporary basis. These are the lowest ranks in the management hierarchy and the people concerned will have little influence on management decisions in the parks. This could be due to a lack of proper modern education and the situation may improve in due course as more local leaders are expected to be appointed once the government's decentralisation programme becomes fully operational (RGoB, 2002).

Do ICDP projects always generate support for conservation policy?

Bhutan's conservation policy enjoys the full support of the local communities. According to Metha and Heinen (2001), one way of generating community support is through community-based development.

In Bhutan, there is overwhelming public support for nature conservation policy in both national parks. To a certain extent ICDP activities are responsible for achieving a high level of satisfaction (98%), with increased benefits in education, health, agriculture and animal husbandry extension services (Table 6.6). At the same time, these activities are seen as a source of tension.

Our interviews also showed that if ICDP is poorly managed it can be a source of tension between the district officials, the park management, the local communities and the wildlife. The district officials do not approve of direct implementation of ICDP activities by the park management. They feel that it is the responsibility of the districts, while the park managers feel they are better trained to deal with the public on sensitive conservation issues. Representatives of the park management, meanwhile, feel that local people expect them to do everything instead of getting involved in development activities themselves. They accuse local people of being more concerned about receiving their share of direct benefits like barbed wire, corrugated iron sheets

(CGI), solar lights etc., whereas locals blame the conservation programme for not providing electricity, irrigation etc.

We have to bear in mind that the present assessment describes the attitude of the local communities at a time when the implementation of nature conservation rules and regulations has been in operation for barely two years. Our visits to the park rangers' offices during this study indicated that the offices are newly established and are poorly staffed, with the result that the park rangers admitted that implementation of rules has not been effective. Similar studies in future would be able to establish whether people's perception of government policy and their attitudes towards nature conservation remain positive despite its negative impact on their lives. Changes in this respect could be a result of changing attitudes toward religion.

6.7   Conclusions

Returning to the research questions, our conclusion is that the strong conservation policy stance of the government reflects a top-down approach and is not balanced since it is disproportionately skewed towards the conservation of nature. This reflects the influence of donor countries and their policies. Buddhism is important in shaping positive attitudes towards nature conservation among local people, although less important than originally expected given that this study was carried out in rural communities. There is full support for nature conservation and people are satisfied with their way of life. However, people are disgruntled at the change in ownership of land and with having to live within the constraints of new conservation rules and regulations. The conservation management programme, the ICDP activities, had little impact on easing the tension between local communities and wildlife. The wildlife depredation of crops and domestic livestock is detrimental to the local economy since these are the only sources of livelihood. The long-term success of the conservation goals cannot be achieved unless an appropriate compensation scheme is worked out. A likely consequence if this problem is not resolved is an increase in the urban population since it could lead to depopulation of rural areas and abandonment of agriculture.

The government also did not pay much attention regarding the impacts on the traditional norms of the local people while implementing the nature conservation rules. The traditional norms of resource management were ignored and introduced new rules were introduced. The restrictions on the use of non-timber products also appear to have affected the production of traditional local arts and crafts.

The idea of conservation is not new to the Bhutanese people. It is ingrained in their traditional way of life. Policy choices should capitalise on this existing potential by providing conservation education rather than weakening it by imposing new rules and regulations, thereby depriving people of the sense of traditional community ownership.

7 Success and failure of the sustainability agreement between the Netherlands and Bhutan

7.1 Introduction

In the early 1960s, Bhutan opened its country to the outside world, and entered into various forms of bilateral development cooperation with countries, such as Denmark, Germany, Austria, Switzerland, and the Netherlands. From these co-operations, the most innovative has been the sustainable development agreement with the Netherlands, conceived during the preparation of the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro in Brazil in 1992.

In the classical development paradigm cooperation is donor driven and top-down. Development takes place according to the parameters of the donor country, which not only stipulates what to do, but also, how to do it. The developing countries are induced to follow the same development path as western countries. Furthermore, this cooperation is procedure-driven and embedded in bureaucratic rules specifying obligations in detail. This classical model focuses on relationships between states and it rarely stimulates public participation (Verhagen, Dorji et al., 2003).

The development cooperation between Bhutan and other bilateral donor countries mostly fits into this classical pattern. In this pattern donors usually embed their development projects into the existing government bureaucracy. They focus on a specific sector of their choice, and use their own technical experts and national contractors. However, some donors use the services of local contractors to implement the projects.

The new development cooperation originates from a different starting point. It used the idea of a platform where North and South meet to debate sustainable development and jointly define the areas of development cooperation. The intention was not only that a rich country like the Netherlands would support Bhutan, but also could learn from Bhutanese experience to increase their level of sustainability. This concept was translated into an operational strategy, the Sustainable Development Agreement (SDA), which the Netherlands concluded with three developing countries: Bhutan, Benin and Costa Rica.

The agreement espouses three specific principles: equality, reciprocity and participation. These principles were not defined further in the agreement, since it was assumed that these principles would need a long learning process (RGoB, 1996; Glasbergen and Miranda, 2003; Verhagen, Dorji et al., 2003).

Within this new paradigm participation was the key principle. In the context of SDA, participation is understood as the involvement of a plurality of institutions (community, local, national, government, non-government and the commercial sector) in formulating the strategy, planning and execution of activities. With respect to SDA, equality and specifically reciprocity became the subject of intense political debate in Dutch Parliament. Equality refers to the respect for each other's opinions and the goal of collaborative decision-making. Reciprocity implies that the four SDA countries could ask each other question concerning the policies of sustainable development through an intensive and constructive dialogue.

In this alternative development cooperation we recognise elements of the partnership and the community participation paradigm (see Chapter 3). It is a partnership model in the sense that the agreement is centred on voluntary cooperation between multi-stakeholders who maintain mutual respect and work towards shared goals. It is a community participation model, because it involves various actors of civil society organisations in decision-making, so that indigenous knowledge and skills are harnessed for efficient environment and resource management to realise sustainable development.

This new form of development cooperation was introduced as an experiment. The idea was that other countries could replicate the concept. However, this did not happen. In 2005, the Dutch government decided to phase out the funding. This does not mean that the agreement failed. As will become clear from our analysis it was a success in Bhutan, but a failure, in the Netherlands, due to several reasons. Therefore, our research aims to find out:

- How does this partnership (new form of development cooperation) work in practice with specific aim of bringing equality, reciprocity and participation among the partners?
- With these principles, how can SDA be hailed as success or failure in the Netherlands and in Bhutan?
- What lessons can be drawn from this kind of development cooperation?

Although our main focus is on the Implementation of the SDA in Bhutan, it will be reviewed within the context of the relationship with the Netherlands, and the crucial autonomous developments taking place in the Netherlands, which shaped the whole SDA process.

7.2   Research Methods

To find answers to the research questions, research methods followed includes literature review, interviews and case studies. We referred to SDA publications like legal documents, the documentations of the Annual Policy Consultations proceedings between the two countries, case studies, research reports, external reviews and evaluation reports of the programmes and the projects. In the Netherlands, an extensive desk research was carried out regarding the minutes of the Dutch parliamentary debates.

From the literature review we were able to prepare a list of former Ecooperation employees. As Ecooperation was merged with the Royal Tropical Institute (KIT) since 2002, we visited KIT

and arranged informal discussions with the former employees of the Ecooperation. They also helped us to identify key actors and stakeholders to interview (Appendix I). The ministers of the former and current government in the Netherlands have either declined to be interviewed or were not accessible. But the former employees of Ecooperation and the KIT willingly consented to be interviewed.

In Bhutan, the Sustainable Development Secretariat (SDS) was instrumental in identifying the key informants. In some cases the SDS assisted in arranging the interview with government officials. In Bhutan the respondents were mostly civil servants – directors, project managers, planning officers and sectors heads. Some community members who were involved in the implementation of projects were interviewed in the areas where the case studies were conducted.

The interviews were conducted in the Netherlands during April/May, while in Bhutan they were conducted during June/July 2005. In both the countries, pre-designed standards interview questions have been used.

In order to determine whether the agreement was a success or a failure some case studies were conducted in Bhutan as well as in the Netherlands. In Bhutan a projects each under biodiversity, rural energy and cultural programmes were selected. In the Netherlands, the Zeeuwse Vlegel project has been studied.

First, the case study on the biodiversity conservation project, Jigme Dorji National Park was selected as the oldest and the largest park in the country. After a preliminary briefing, SDS organised a four-day visit to the park headquarters. So it was possible to visit project sites and to converse directly with the local people. We also interviewed park officials and were able to witness field activities, such as demonstration plots, environmental campaigns, eco-tourism activities etc.

The second case study focused on the rural electrification programme. A project was selected in western Bhutan covering two districts – Paro and Haa. The projects in eastern Bhutan could not be visited due to the long travel time required and the inaccessibility of roads during the monsoon season. The project manager, Bhutan Power Cooperation (BPC), organised the project site visit and we were accompanied by the site engineer and personnel from the EIA unit of the company. Besides interviewing the site engineers, we were able to talk to local contractors and the stakeholders, which provided first-hand information on the benefits and liabilities of the project.

The third case study on culture focused on the project for institutional strengthening of Schools of Fine Arts, located in Thimphu. We interviewed the principal and some members of the staff. It was also possible to observe various school activities and speak to some of the students.

Lastly, the case study on the Zeeuwse Vlegel project was selected as the only projected implemented in the Netherlands under SDA. We visited the project area and interviewed the chairman of the project committee and the project coordinator.

7.3   SDA in practice: agreement and rectification

The cooperation started with the signing of a Declaration of Intent in Rio in 1992. Based on this, the formal Agreement was signed between the government of the Netherlands and Bhutan on 21 March 1994 in the Netherlands. This agreement was implemented through policy dialogue, policy consultation meetings between two countries, and project implementation in Bhutan and in the Netherlands. To steer the whole process, the two countries established a Joint Committee, consisting of two high officials from each country. The priority issues were identified and thematic areas of cooperation were agreed in Joint Committee meetings including the types of projects to be promoted for sustainable development. Three types of projects, the so-called 'windows of financing' were identified: Project Type I, II and III.

Type I projects are relatively large projects, mutually agreed on thematic areas of cooperation, such as biodiversity, rural energy, human resource and institutional capacity building. In Bhutan, the Type I projects supported the planned development programme of the government of Bhutan. Therefore, the formulation, implementation and coordination of these projects took place in Bhutan only.

Type II projects are to be implemented in the Netherlands, which would help to contribute to the sustainable development in the Netherlands.

Type III projects are known as the reciprocal projects, which will be implemented in both the countries jointly. A case study on each type of project is presented in Section 7.8.

Ratification of SDA in the Netherlands
After the signing of the Agreement it took more than two years before it was formally ratified on 4 June 1996; however, various smaller projects were already implemented. For several reasons ratification became a very lengthy and contentious process because: a) the main principles were challenged, b) some projects were intensely debated, c) new funding procedures were opposed and d) Bhutan's assumed policy on human rights was questioned.

a. Dutch politicians debated the principles of reciprocity and equality. The first discussion sessions in the Netherlands deliberated on the contents of the agreement, and whether the agreement could be operationalised and implemented at all. Initially the intention was to implement it on an experimental basis. However, soon after signing the agreement the ruling government – Social Democratic Labour Party (PvdA) – decided to give this agreement "*a more international and binding character, rather than a informal one*". As such the members of the PvdA decided to submit the formalisation of SDA for parliamentary approval.

In order to ratify the agreement in the Netherlands, several discussion sessions within the Lower and Upper Chamber of the Dutch parliament were held in January and March 1995. It was recognised by most politicians in the Lower Chamber that the SDA in 'such a framework' would be welcome, especially after the Declaration of Intent was signed. However, it became evident that other political parties did not agree with some parts of the agreement.

- The Liberal Democratic Party (VVD) argued that the principle of reciprocity lacked clarity and questioned the basis of creating a new relationship between North-South. They were of the opinion that such cooperation could be placed within the existing framework of development cooperation. Further, the party also viewed the principle of equality as 'nonsense', since only one country was providing the funding (GOTN, 1996).
- The Christian Democrats (CDA) were concerned with the effect this agreement might have on Dutch policy. They demanded an exact meaning of reciprocity and a clear intention as to how this principle would be operationalised and what role a partner country could play in the decision-making procedures on sustainable development in the Netherlands (GTON, 1995).
- The Green Party 'Groen Links', one of the smaller political parties, viewed the treaty somewhat differently. They wanted to know how this agreement could be used to create space for the Dutch Government to re-orientate its policy, to contribute to the fair distribution of eco-space within the Netherlands. (GTON, 1995). In other words, they were hoping that this agreement would require the Dutch government to pay the developing countries for the Netherlands overuse of global ecological space.

Looking at the three fundamental arguments in the Dutch parliament, it is obvious that Dutch politicians did not feel comfortable with the agreement, especially the principle of reciprocity, which could allow other partner countries to criticise the policies of the Dutch government. For instance, it was feared that the Bhutanese government would use the SDA as a legal backing to stimulate changes in the Dutch materialistic lifestyle and Dutch policies on sustainability issues. Though in reality, Bhutan's government had neither the intention nor inclination to interpret the agreement legalistically. For Bhutan, the spiritual and emotional intent of the agreement was more important than political intentions.

b. Some projects started during the rectification highlighted this fear and triggered intensive debate and created animosity in the Netherlands. The first incident was a request by Ecooperation (the Dutch national mechanism created to coordinate SDA activities) to the partner countries to express their views on the environmental impact of the expansion plan of (Dutch) Schipol airport. This infuriated some of the political parties in the Dutch parliament. They dubbed the concept of reciprocity as: 'symbol policy', 'artificial', 'unrealistic', 'superfluous', 'a new form of hobby' and 'insignificant' (GOTN, 1995).

Next, the government of Bhutan's decision to implement a Type II project in the Netherlands triggered further debate. The government of Bhutan financed a project, which was implemented by a group of farmers to promote the agro-biodiversity development in the Netherlands – the Zeeuwse Vlegel project. The US$100,000 project was to help farmers promote sustainable development in the Netherlands. But Dutch politicians did not feel comfortable with the project, as it meant taking assistance from a poor country. As a result the project became the subject of negative publicity for the SDA in the Dutch media.

c. New funding procedure was opposed. The main objective of SDA was to change the method of funding and managing development assistance to developing countries. The intention was to deviate from the traditional top-down approach of providing development assistance and instead

place emphasise on a two-way process. However, this new approach failed to gain much support in the Dutch parliament. It was argued that the SDA framework should be adjusted to fit under the existing system of Oversee Development Assistance (ODA) programme of the Ministry of Development Cooperation in the Ministry of Foreign Affairs (GTON, 1995), rather than creating a new system and an organisation to do the same function. At the same time, the Dutch Ministry of Foreign Affairs was not in favour of relinquishing this important and powerful ODA function to a newly created NGO – Ecooperation. In fact the Dutch Ministry of Foreign Affairs was planning to transfer and decentralise all ODA responsibilities to their respective regional embassies all over the world. As a consequence, the new SDA objectives became difficult to fulfil and were gradually mainstreamed into the old paradigm of development cooperation (Verhagen, Dorji et al., 2003). Consequently, bickering and animosity between ODA officials and the Ecooperation ensued when any project implementation started. The officials of the ministry accused Ecooperation of not being professional, as they did not follow project procedures and the criteria of the ODA, while Ecooperation officials blamed the ministry for overruling the mandate of the Ecooperation to implement SDA (Verhagen, Dorji et al., 2003).

d. Bhutan's human right issue brought uncertainties. In the meantime, the issue of Bhutan's violation of Human Rights surfaced and was discussed in Dutch parliament. This issue emerged after a visit by a Dutch delegation to Bhutan during January 1995. The members of the delegation understood that the Sustainable Development Secretariat (National Mechanism of Bhutan) was very serious and enthusiastic about the programmes and projects of the SDA. However, the delegates expressed their concerns about Bhutan's violations of human rights. The parliamentary report described Bhutan as a 'totalitarian state' lacking any political parties, unions, or organisations representing Bhutanese civil society (GTON, 1995). Later, the CDA parliamentarian[43] van Ardenne expressed her views in a newspaper article titled 'Fairytales and how real is Bhutan'. In this article she observed that Bhutan has only one religion (Buddhism), and no freedom of expression. Additionally, since Bhutan had not signed any International Human Rights Treaty, a question was asked as to whether the Netherlands should have an agreement with Bhutan at all (Ardenne, 1996).

e. Final approval by the parliament. The discussions in the Lower Chamber were held in May 1995. During the discussions the two major political parties – VVD and CDA – both requested the Ministers to clarify and change some parts of the agreement in order for them to vote in favour of the agreement. However, in spite of the objections by the two large political parties, the majority, consisting mostly of the smaller political parties, accepted the agreement on 13 June 1995.

In the Upper Chamber the VVD and CDA also demanded adjustments to the agreement similar to those expressed in the Lower Chamber. The discussions in the Upper Chamber were more critical than in the Lower Chamber regarding the implementation of the agreement. After making several changes in the reciprocity workshop[44], the long debated agreement stood rectified by a slim majority on 4 July 1996.

7.4   Rectification in Bhutan

In Bhutan, there was little political debate on the treaty. The agreement was ratified without opposition. Both the King and the cabinet approved the agreement. The Bhutanese involved were excited about the new direction of promoting sustainable development in Bhutan. However, they were anxious about the developments in the Netherlands. The Bhutanese government was also aware of the controversy in the Dutch parliament. In a response, one Bhutanese official summed up the frustration by saying '*whether we like it or not, we are on the same boat, rich or poor, big or small, we all have to walk together*'. At the same time it was also a lesson for the Bhutanese government as to how an agreement should be treated and regarded. Once ratified by the parliament, it can have binding legal implications on both countries. In Bhutan, an agreement is interpreted less legalistically without calculating future recourse, which is a simplistic view of the agreement. This simplistic view of agreement did not hinder the implementation of the agreement, since Bhutan enjoyed full political support and a willingness to participate from the stakeholders.

Unlike Bhutan, but similar to the Netherlands, the agreement passed through tumultuous administrative challenges in Costa Rica. On several occasions the Dutch Embassy in Costa Rica had to intervene and monitor the SDA process (Glasbergen and Miranda, 2003).

7.5   Implementation of the agreement

Bhutan–Netherlands Cooperation
Since the Fourth Five-Year Plan (1976-1981) of Bhutan, the two countries had found a common ground from which to work for development. In the absence of a formal relationship, Dutch assistance was channelled through the United Nations Development Program (UNDP) in Bhutan and allied agencies like the World Food Programme (WFP) and the United Nations Fund for Children (UNFC). Rural development, primary health education, women's development and low cost sanitation programmes were the development activities that engaged both countries in the initial stage.

The formal diplomatic relationship between the two Kingdoms was established in 1985. Three years later, a permanent office was set up in Thimphu, represented by the Dutch Development Organisation (SNV); a non-governmental organisation (NGO) facilitating the smooth flow of Dutch assistance to Bhutan. Since 1990s, the development focus shifted to the environment and sustainable development. The new focus brought a more binding relationship: the Sustainable Development Agreement (SDA). This new form of development cooperation elevated Bhutan at par with the donor country in matters relating to the use of development assistance in its own right.

Institutional development
The signing of the Sustainable Development Agreement required each country to establish National Mechanisms to coordinate the SDA programmes. In the Netherlands, 'Ecooperation' was institutionalised as an autonomous organisation to coordinate the development and

operationalisation of the agreement in Bhutan, Benin, Costa Rica and the Netherlands. A Board of Ecooperation represented various (non-governmental) organisations, institutions like universities, and businesses. Also the Department for Development Cooperation as part of the Ministry of Foreign Affairs, the Ministry of Housing, Spatial Planning and the Environment (VROM) and the Ministry of Agriculture, Nature Conservation and Fishery (LNV) were members of the Advisory Board of Ecooperation (GTON, 1995).

In Bhutan, the Sustainable Development Secretariat (SDS) was established in the Ministry of Planning. The Secretariat was guided by the Bhutan Task Force (BTF), which was comprised of various sectors of government departments. To give more flexibility, Bhutan's government granted autonomous status to SDS in 1999, and the BTF was reconstituted to a Board of Sustainable Development (BSD). The board was represented by the government representatives, autonomous institutions, businesses and non-governmental organisations, thus giving a more representative image of the interest of the state, market and the civil society. The BSD was responsible for approval, implementation of the SDA in Bhutan and providing overall guidance on all policy issues and programme frameworks. It was also responsible for monitoring and evaluation of all SDA programmes and projects on the basis of physical and financial progress reports and field visits (Rinzin, 2001).

Project selection and implementation procedure
Each year the national mechanisms organised a Periodic Policy Consultation (PPC) meeting between the two countries. During the meeting representatives from state, market and civil society identified fields of cooperation based on the thematic areas agreed during the Joint Committee Meeting. They also proposed new projects under Type I project for implementation in Bhutan and Type III projects and identified project partners.

The PPC meeting also reviewed policies, programmes and arrangements for projects, which were already developed.

As discussed earlier, the implementation of the agreement did not proceed as originally envisaged. Initially (194), the Ecooperation and the Ministry of Development Cooperation agreed to follow the existing ODA procedures for approval of projects until the capacity of Ecooperation was fully established. The approval procedures were rather lengthy and passed through several verification procedures before they were finally submitted to the Ministry of Development Cooperation for final approval (Figure 7.1). The SDS board first screened the project proposals submitted by the sectoral agencies in Bhutan. After the Boards' approval, the proposal was sent to SNV for field verification (their comments and observations had substantial bearing on the final approval by the Dutch Development Cooperation). After comments from SNV, SDS forwarded the proposal to Ecooperation. The Ecooperation then submitted to the Ministry of Developments Cooperation for final approval. The Ministry of Development decided whether the projects were approved and accordingly informed Ecooperation and SNV in Bhutan.

During 1999, the transfer of responsibility finally took place as planned. The implications were that for several reasons all (Type I) project's activities were suspended for almost two years: including those projects that were in the pipeline. The Bhutanese National Mechanism saw the
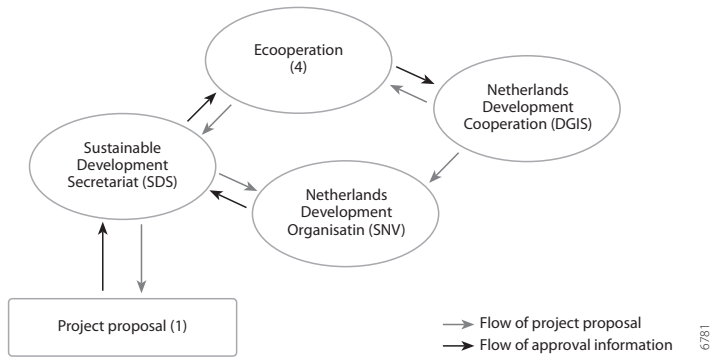
Figure 7.1 Procedural arrangement for project approval before decentralisation of responsibilities
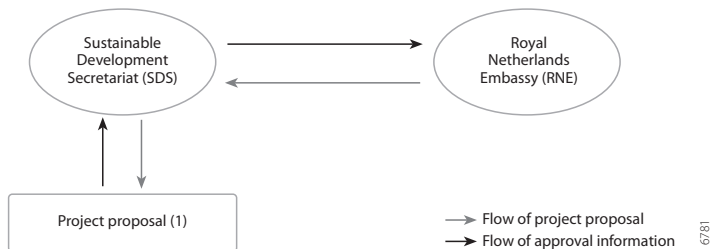
Figure 7.2 Procedural arrangement after decentralisation of responsibilities

Royal Netherlands Embassy in New Delhi exercise their right to withhold funds based on the decisions of the Dutch Ministry of Foreign Affairs regarding Bhutan's human right issue. At the same time, according to an (ex) director of Ecooperation the Dutch Embassy in New Delhi lacked the capacity and had no experience implementing SDA activities.

However, when SDA activities were revitalised a new system was introduced, but it was still based on the traditional model. As shown in Figure 7.2, the project approval timeline was shortened to just two steps, since the embassy was now delegated with responsibility as well as authority to approve and finance all projects. As a consequence, Bhutan's government was able to implement much bigger projects; the role of SNV in Bhutan was also eliminated and ultimately the Ecooperation was sidelined from Type I project implementation.

7.6   Stakeholder reflections

The SDA is a concept that reflects the new development thinking of the 21st century. In the Netherlands, the respondents (those representing Ecooperation) saw the agreement as an innovative idea distinct from the mainstream traditional ODA framework: the core idea being the distribution of 'eco-space'[45]. They felt the idea developed as a result of a new awareness in the Netherlands regarding their unsustainable development practices. So the SDA could be used to

adjust for the unfair distribution of eco-space (Opschoor, 1995). For instance, the government of the Netherlands pays Bhutan for their own lack of sustainability, not because Bhutan lacks sustainability.

Reflection of stakeholders in the Netherlands
The SDA lacked political will in the Netherlands. The Dutch politicians did not understand the core idea of SDA, and interpreted the reciprocity principle from a legalistic viewpoint i.e. creating permanent political obligations to pay Bhutan or allowing the Bhutanese government to criticise Dutch environmental policy. To avoid political risks, politicians demanded exact meaning of reciprocity, ignoring the original meaning: mutual learning and exchange programmes. Hence, the spirit of SDA vanished even before ratification.

During the ratification process in Dutch parliament, the only discussants were the traditional 'development-cooperation-specialists', who had little idea about the core of SDA, the issue of sustainable development and the distribution of eco-space. Hence, they did not see the two-way development road as realistic. The respondents opined that had environmental specialists been involved, they would have decided differently, as they are in a better position to understand the meaning of the use of eco-space.

Some respondents regarded the implementation of the agreement as strategically faulty, as it demanded change in the current policy and implementation culture. They observed that the SDA created political tensions because it was a binding agreement between the two countries. Furthermore, the Ministry of Foreign Affairs did not want to hand over financial power on development assistance to the newly established NGO (Ecooperation). On the contrary, it had planned to transfer all development responsibilities to respective regional embassies (which they finally did in 1999). Hence, the project identification, approval and monitoring procedures, which SDA strived to achieve, remained unchanged from the traditional practice.

The establishment of an independent national NGO (Ecooperation) separate from the Dutch Ministry of Foreign Affairs proved to be the biggest mistake when experimenting with something new and innovative. According to the respondents such an innovative programme should have been allowed to develop gradually and given more learning time within the Ministry.

However, some interviewees said SDA was successful, though it was ahead of its time. Though discussions were centred on reciprocity in reality the principle of equality was found to be more difficult to operationalise in a donor-recipient relationship.

Finally, the Dutch concept of multi-stakeholder consensus based on Polder Model principles was blamed for the failure of the SDA in the Netherlands. According to some respondents SDA had gone through a period of great expectations, and opportunities, but it was hindered by procedures, considerations and controlling issues, which in the end diminished the Dutch interest in the project.

Stakeholder reflection in Bhutan

In Bhutan, respondents evaluated SDA quite differently. They felt that initially the SDA stimulated hope and excitement, but the long ratification process and subsequent changes in ODA procedures dampened this excitement.

In terms of funding, the respondents felt, that a relatively small amount of ODA funds were allocated to Bhutan to achieve the broad SDA goals. At the project implementation level, the SDA procedures accommodated flexibility, innovation and participation in order to promote sustainable development.

At the systemic level, though it failed to change from the traditional approach to development cooperation, the decentralisation of management responsibility of the Dutch development assistance to Delhi benefited Bhutan. They saw the approval procedurals were shortened and the Bhutanese National Mechanism (BNM) was able to propose and implement much larger projects in support of national sustainable development programmes. But Bhutanese respondents expressed surprise at the decision of the Dutch government to withdraw from SDA, after much work had already been completed

7.7   Evaluation of the SDA

In 1996, the need to evaluate the agreement was expressed during the ratification process. When the Dutch elections for a new Parliament were held in 1998, Mrs Herfkens became the new Minister of Development Cooperation replacing the former Minister Mr. Pronk. The new Minster could not understand the concept of the agreement, and in her opinion it was a 'waste' of money. Therefore, she asked for an evaluation of the SDA in all four countries.

The evaluation was initiated by the Ministry of Foreign Affairs and conducted by the ITAD[46] evaluation team. The evaluation of the implementation of the agreement in the Netherlands was held during September/October 2000 and in Bhutan it was conducted in November 2000. The main conclusions of the report were:

*   The agreement was poorly structured in terms of objectives. The lack of clarity ideas and initiatives led to a confused situation in the beginning.
*   The terms reciprocity, participation and equality, as the basic principles of the agreement, were neither in commonly accepted usage, nor defined. Attempts, to define these principles, proved to be difficult, especially for reciprocity and consequently it became the subject of disagreement.
*   The ideas of the various stakeholders about the overall goals of the agreement were mixed. Some saw the agreement as a form of development cooperation, while others saw it as a new form of relationship between developing and developed countries.
*   The organisational reforms within the Ministry of Foreign Affairs did decentralize the implementation of aid to the Embassies and this caused significant disruption for over a year and, as an effect, has set the whole programme of the SDA back.

- The organisation, staffing and mandate of Ecooperation needed to be redefined as these changed over the years due to the different development processes.

The main conclusions of the evaluation in Bhutan were different from the Netherlands. The main conclusions relating to the implementation of the SDA in the Bhutan were:
- There were positive forces under which the SDA was implemented in Bhutan. These were: strong commitment of the Government to sustainable development, Bhutan's capability of participating as an equal partner with donors and Bhutan's remarkable intact natural ecosystem.
- There were constraints under which the SDA was implemented in Bhutan. These were: absence of civil society groups, the small size of Dutch development aid in comparison to other donor's and few or no trade links between Bhutan and the Netherlands.
- Lengthy project approval procedures due to the institutional arrangements made between the different Dutch organisations, have caused implementation delays of the SDA in Bhutan.
- The contribution to sustainable development of Type 'I' projects was constrained by weak institutional capacity in some cases, and the long path by which some projects were expected to lead to sustainable development, and
- A significance proportion of Type 'III' projects focused on the documentation and presentation of culture and exchange programs. It was questionable as to whether these reciprocal projects contributed to sustainable development in Bhutan.

In response to the results of the evaluation, Minister Herfkens apprised the Upper Chamber of the Dutch parliament expressing her intention to act in accordance with the recommendations. The Minster did agree with the evaluators that the SDA with all three countries should be continued, as they had proven to have enough potential to develop further. The Minister also acknowledged the need to separate the activities of this agreement from the traditional Oversee Development Assistance (ODA) Programmes of the Dutch government (GOTN, 2001). Therefore, the Minister decided to continue the cooperation by changing the mandate of Ecooperation and without altering the institutional framework of the SDA. Indeed, this was contrary to the recommendations of the evaluation report. The Minister changed the mandate of the SDA by placing it under the framework of normal ODA procedures of the Ministry of Foreign Affairs, thus eliminating the role of Ecooperation from major SDA activities. In 2002, The Royal Tropical Institute (KIT) was selected to take over the responsibilities of Ecooperation.

7.8   Analysis of Projects

Over the last 10 years (1994 to 2005) the overall budget allocation for SDA in Bhutan was modest. Only Euro 38.022 million (average Euro 3 million per annum) was allocated to Bhutan, this is comparatively minimal with respect to approximately Euro 60 million to Costa Rica and Euro 48 million to Benin. Figure 7.3 shows how the funds were used to finance three different projects. Of the three project-financing schemes, the largest portion of the budget (91%) was allocated to Type I projects. Type III and Type II projects received a smaller share at 8.4% and 0.2% of the funds respectively.

Table 7.1 Type I projects implemented since 1994-2005

Programme/projects	Amount (Euro)	No. of projects	Percent
Biodiversity Conservation	11,779,000	9	34%
HRD/ICD	9,667,000	13	28%
Sustainable Rural Electrification	9,590,000	5	28%
Culture	1,667,000	5	5%
SDS operational fund and SDF47	2,056,000	55	6%
Total	34,759,000	87	100%
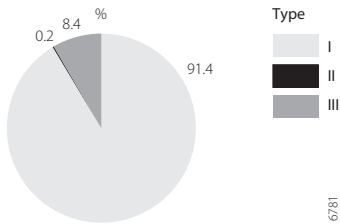
Figure 7.3 Percentage share of project funding from 1994-2005

Further analysis of Type I projects reveals that they supported major development programmes in Bhutan – Biodiversity conservation, Rural Energy, Culture, Human Resource Development and Institutional Capacity Development. Of the total fund allocated to Type I projects, the greatest amount (34%) was granted to biodiversity conservation, followed by capacity building and rural energy (28%). A relatively smaller project was implemented with regard to cultural preservation (in the same period a few larger projects were implemented under funding by the government of Austria).

In the following we discuss selected case studies of each Type of projects.

Biodiversity Conservation: Case study on Jigme Dorji National Park
Bhutan is known for its rich and diverse biological species (RGoB, 1996), and some 26% of the total land area is dedicated to it (details see Chapter 6, Section 6.4). The projects under Biodiversity Programme were given priority over other projects, by attracting maximum funds (see Table 7.1). Conservation of biological diversity in tropical countries is a challenge, because a large proportion of rural people depend on natural resources for sustenance (Arjunan, Holmes et al., 2006). The main objective of this programme was to establish a functional link between the park residents and conservation interventions to ensure the sustainability of the park residents' livelihood, and maintain the biological diversity balance within the national parks (RGoB, 2004). The government adopted the Integrated Conservation and Development (ICDP) approach as the development strategy. According to Maroney (2005), the ICDP strategy works well for the local communities residing within and around protected areas and also falls within the goals of the Convention on Biological Diversity (CBD) (Maroney, 2005).

The project activities were focused on reducing human pressure on the surrounding natural resources. The environmental education, demonstration of best practices in fuel use, fodder and horticulture cultivation, garbage management and a campaign for health and hygiene were the main activities. Subsidies were given for fencing, roofing materials and the supply of seed varieties. Income-generating activities were encouraged to promote 'in-situ conservation' such as growing medicinal plants on buy back condition; development of tourist campsites etc.

Our interviews with the local people revealed that the project was able to create awareness for the conservation of biodiversity. The park management noticed more locals reporting poaching and other offences in the restricted areas to the park office, compared to years before. For instance, the reporting of the harvesting of medicinal plants, poaching endangered species like tiger, illegal felling of exotic plant species were on the rise mainly due to awareness.

However, the project faced internal challenges. The lack of cooperation from the district administration was detrimental to progress. The officials argued that park development should be incorporated into the district and local development plans. The park management did not have adequate trained staff and often failed to justify their work in the meetings with stakeholders. At the same time, garnering community support was difficult due to frequent changes in community representatives and individual motives overriding the community interest often delayed the planned activities.

Past experiences are good lessons for future activities, so ICDP activities can be improved by:
• Integrating with local and district development plans;
• Improving stakeholder participation;
• Being sensitive to local issues- such as local culture, careful planning and implementation strategy.

A recent study by Rinzin *et al*. (2006) showed that biodiversity conservation programmes have adversely affected the local culture and economy in terms of access to natural resources and increased wildlife population.

A. Rural Energy
The vision of Bhutan's government is to electrify all rural areas by 2020 (RGoB, 1999). This is crucial as Bhutan's per capita fuel wood consumption (1.22 tons) is one of the highest in the world (RGoB, 2000), which is detrimental to realising the goal of sustainable development.

Bhutan has a vast hydropower potential. Currently, less than 2% of the technical and economical potential is harnessed. The bulk of the energy (some 90%) is exported to the north-western grid of India. Distribution of electricity to rural areas is costly due to rough topography; it is also environmentally sensitive to construct electricity high pylons across the high mountains and protected areas.

The government's decision to promote rural electrification was supported by the agreement. The objectives of this programme were the electrification of over 3100 rural households through 11/33 KV grid extension lines, and the installation of 1200 photovoltaic cells. Bhutan Power

Corporation (BPC) (the state owned company) was formed to supply electricity through grid extension projects, while the Department of Energy in the Ministry of Trade and Industry, implemented the solar electrification project. So far 2051 households were electrified through grid extension, though the exact number is not known as Phase II of the project is ongoing, and 1879 photovoltaic solar panels have been installed (RGoB, 2005).

This is a programme-based project and work followed strict bureaucratic procedures of the government. The projects were executed by awarding contract work to national contractors through open tender. The work demanded intensive inter-departmental coordination, negotiation and obtaining clearance from: National Environment Commission, Department of Forestry, Department of Nature Conservation, if it passes through park boundary, and the Department of Road. Public participation was kept to a minimum and only focused on making the decision whether to have electricity at the local level or not.

Our interviews with the locals indicate that the people were excited about the supply of electricity in their homes. They said electricity would make them less dependent on fuel wood, enhance education, improve health and provde income generating activities. Reactions from the conservationists were equally positive. They felt in the long run electrification would help the conservation effort, although some environmental damage is inevitable during the construction period. They saw to it that the construction was carried out in accordance with national acts (Forestry Act and Road Act), and the transmission and distribution guidelines of the National Environment Commission. The conservationists also saw that the future benefits from electricity would outweigh the current environmental cost, as the forest has the capability of regeneration. Some locals expressed their full satisfaction over this project and supported the views of the conservationists.

However, the Managing Director of BPC expressed concern about future sources of funding after SDA; he feels that the vision 2020 is still a long way from realisation.

B. Culture: Institutional strengthening of the institute of School of Fine Arts
Bhutan maintains a vibrant Mahayana Buddhist culture untainted by outside influences. The country is built on this cultural identity as a sovereign and independent nation. By Buddhist tradition, Bhutan recognises 13 kinds of arts and crafts (Zorig Chosum). Earlier these traditions had been inherited through families and taught only in the monastic institutions (RGoB, 2005). However, the government saw a rapid decline of these arts in recent years and only a few people possess the knowledge to preserve this heritage. As the culture is interwoven with all aspects of life in Bhutan, the sustainable development project would not achieve its goal, without the promotion and preservation of this cultural heritage.

The culture project aimed to expand existing infrastructure facilities, revise curriculum and strengthen management and the teaching capabilities of the institute. According to the principal, the project was able to revive many declining arts and crafts:
- By 1999 only one man was known to exist in the country who could make the traditional Bhutanese boots. Six students were initially trained by this master and now it has become a regular programme.

- The traditional art of sword[48] making has already been lost. However, two trainees were trained in Bangkok in order to restore this art, since similar techniques exist there.
- The mineral pigments for painting were revived from locally available materials.
- The traditional drum making skill has been restored, by recapturing the skills from the few artisans remaining in Bhutan.

In recent years, the enrolment rate of students has increased beyond the institute's capacity. According to the principal this is a positive development in which the future of the 'proud' cultural heritage of Bhutan is ensured.

C. Analysis of Type III projects

The Type III projects are the reciprocal activities, which are implemented in both countries. As shown in Figure 7.4, over the last 10 years, more than, Euro 3.262 millions, a modest sum, was spent on various reciprocal activities in Bhutan and in the Netherlands. Three specific themes of cooperation identified were – to work on ecology, economy and social cultural pillars of the vision of Gross National Happiness (Rinzin, Glasbergen et al., 2006). Figure 7.4 shows the proportion of funds utilised in each theme. Relatively more funds (40%) were spent on activities related to the economy and a smaller amount was spent on ecology (17%). A general fund representing 29% was allocated to the operational expenses of sustainable development secretariat.

Within the four main themes, a total of 65 small projects and activities were undertaken jointly between the two governments. These small projects and activities mainly included feasibility study of bigger projects, cultural exchanges, research studies etc.

D. Case study on Project Type II: Zeeuwse Vlegel project

In the Netherlands, the environmental sustainability of Dutch agriculture was threatened by the government policies to use only 'high yield wheat varieties'. This policy meant that the traditional wheat varieties that were using conventional methods gradually disappeared from the market (Velthuis, 2006). High yield varieties, however, increase the use of chemical fertilizers. The high levels of nitrate, phosphate, heavy metals and pesticides in chemical fertilizers have resulted in pollution of the soil and groundwater in the Netherlands. These incidences instigated some Dutch farmers, like the farmers from the Zeeuwse Vlegel Foundation[49], to produce wheat varieties with sustainable farming methods. Although the sustainable farming methods provide lower yield per hectare, the production, especially of the local variety known as Sunnan[50] does not need any use of chemicals and is able to sell at good price in the market (Velthuis, 2006).

%

- Ecology
- Economy
- Social and cultural
- General

29 14 17 40

6781
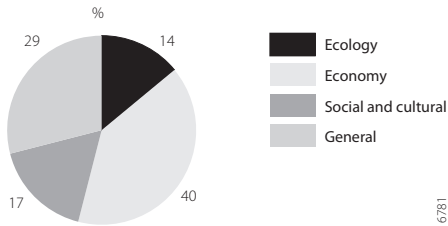
Figure 7.4 Type II projects: proportion of fund spent on main reciprocal themes

This inspired Bhutan's government to promote agro-biodiversity development in the Province of Zeeland in the Netherlands.

The Bhutan's government selected the project proposal submitted by Zeeuwse Vlegel Foundation for funding under the agreement. This is the only project implemented in the Netherlands during the entire period of the agreement by Bhutan's government. The Dutch government provided the fund to Bhutan through SDA project – an equivalent of Dutch guilder US $ 100,000 which Bhutan returned to the Dutch farmers.

The project aimed to:
- Restore a local wheat variety called Sunnan with improved baking qualities, which was to be farmed using sustainable methods (by avoiding use of chemical fertilisers).
- Develop local capacity in the production of baking wheat varieties, and
- Promote diversifications through rational utilisation of local crop genetic resources.

To realise these aims, the Zeeuwse Vlegel Foundation adopted an integrated approach of management style in the production-chain with various cooperatives, private and public institutions to participate in this project.

Project activities and the results. The project carried out research studies on the preservation and analysed samples from the local wheat varieties. In three years (1997-2000) some 21 varieties of winter wheat and 13 varieties of summer wheat were evaluated for their suitability as baking wheat under sustainable farming methods. From these varieties, 'Sunnan' and 'Renan' were selected for growing purposes, as the main summer and winter wheat.

Evaluation report. According to the evaluation report by Bhutan's government, there have been positive effects related to the results of this project:

- The farmers using the Zeeuwse Vlegel farming method received a higher price per kg for wheat produced compared to the conventional method.
- A sense of ownership of the project was created with each and every actor in the production chain, which stimulated awareness about the project.
- The wheat variety Sunnan was brought back on the list of Dutch official varieties. And the variety Renan was also brought back into cultivation.
- The Zeeuwse Vlegel Foundation had built a network of various actors such as; researchers, policy makers, environmentalists, organic farmers, bakeries and millers, to promote sustainable farming.
- By grinding the baking flour by windmills in addition to other methods, the use of fossil fuels as an additional energy source was reduced, and job opportunities were created for traditional millers.
- The project increased the portfolio of suitable baking wheat varieties to the farmers participating in the cooperative and improved their knowledge in cultivation of baking wheat under sustainable farming methods; and
- The project expanded and intensified public awareness on sustainable production and consumption.

Another outcome of this project was the production of a promotional film explaining to children in the secondary schools the importance of producing and baking in a sustainable way. Other products like postcards, posters and brochures were produced to promote the new products of the farmers to the consumers.

Based on the above outcomes, the Bhutanese evaluation team reported, that the project was highly successful as: the local capacity was developed in the production of baking wheat varieties; the cropping system was made more sustainable through the application of appropriate technology; the negative effects of high input agriculture on the environment were minimised; and the project promoted diversity, through rational utilisation of local crop genetic resources (Ura and Wangdi, 2000).

Dutch stakeholders evaluation. According to Mr. J. Koeman and Mr. J. de Koeijer[51] the 'moral' support, enthusiasm and interest from the Bhutanese have given the farmers in Zeeland a new hope by helping them to put back Sunnan on the list of Dutch official varieties. This gave the farmers a sense of victory over the government's decision. Now people are able to buy flour for pancakes, mustard, and flour to make their own bread, cookies and wheat for other meals. The farm shops have increased the sales of ZV products. However, Mr. W. Leen-Hijweege (an ex-employee of SNV) saw the Zeeuwse Vlegel project more as a *'Public Relation building'* stance for Ecooperation, as the SDA was not getting enough support from government.

Unfortunately, this project provoked intense political debate and attracted Dutch media attention, especially with regard to reciprocity and also on the ethical question, as to whether it was right to receive aid from a poor country. A Dutch newspaper reported: '*the appallingly poor and small country of Bhutan has made the province of Zeeland happy with a gift of US $ 100,000. This is the first time in the history that our nation has received development aid from a developing country*' (Kessler and Romijn, 2003).

E. Human resource and institutional capacity building
Capacity building is the process by which individuals, organisations, institutions and societies develop abilities to perform functions and achieve objectives (UNDP, 1997). Capacity building for sustainable development was one of the core components of the agreement. Of the total budget outlay for Type I projects, 28% was earmarked for capacity development (Table 7.1). According to the ITAD evaluation report, almost all other projects also included an element of capacity building, be it organisational or individual.

Figure 7.5 shows 75% of the funds was allocated to human resource training, the remaining 25% was utilised for organisational development and institutional strengthening, 17% and 8% respectively. In individual capacity building, more importance was given to the development of general support staff. Some 86% of the total budget was spent on training 105 general support staff in various line ministries, 62 fresh internal auditors. Further, 14% of the HRD fund was allocated to the development of professional in undergraduate studies in science, maths and humanities (40 slots).
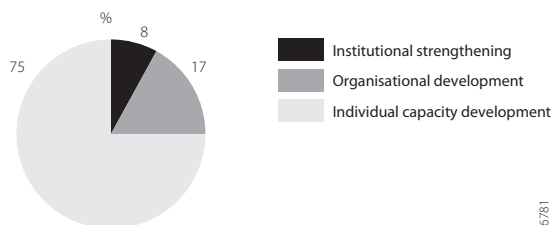
Figure 7.5 Proportion of fund allocation to various components of capacity building

The institutional capacity building included strengthening of the financial administration system of the government by revising the financial manual and financial rules and regulations. Establishment of a National Monitoring and Evaluation System in the planning department, expansion of existing educational facilities, and the establishment of the Ministry of Labour, were other major activities undertaken.

The draft evaluation report of the HRD/ICD project stated that the stakeholders participation, information on training availability between the implementing agency and the beneficiary were minimal. This indicated a top-down approach with minimal participation from the main stakeholders.

7.9   Reflection on a new paradigm of development cooperation

In response to the global call for environmental preservation at the Earth Summit in Rio de Janeiro in 1992, the Dutch government proposed an innovative new form of cooperation between the Northern and the Southern countries. Ideally, this cooperation could provide a new platform for the exchange of ideas, knowledge, experiences and resources between the developed and the developing countries. However, it is crucial to realise the importance of what the form this relationship should take. A legally binding agreement seems not to be the right way to enter into such a new venture, as the cultural differences in the interpretation of the agreement vary. In the agreement the principles of equality, reciprocity and participation were subject to open interpretation. The agreement also did not have a specific timeframe and therefore lacked direction and goals. These deficiencies put the Dutch politicians on the defensive at the time of ratification in parliament. They were aware of the legal implications and did not want to take a risk on this un-trodden path. As a courtesy to other signatory countries, the Dutch constantly demanded more clarity, meaning and insight into the three guiding principles, rather than an outright rejection of the agreement.

Barely seven years after signing the agreement in 1995, the government of the Netherlands decision to withdraw from the agreement surprised the partners. The Netherlands government took this decision after the evaluation report of the national mechanisms in 2001. The new minister considered the agreement as a waste of money for the Dutch Government (GOTN, 1999), and therefore wanted to end the agreement. Even though the evaluation report (2000) concluded that by improving the structure of the agreement, and redefining the role of

Ecooperation and staffing, the critical problems facing the project might be solved. However, in 2001, as a result of these concerns a new administration, the Royal Tropical Institute (KIT), was selected to take over the role of Ecooperation, as the new national mechanism in the Netherlands. Finally, in 2002, changes in the Dutch government confirmed the withdrawal of the Netherlands from SDA.

In retrospect, looking at the meaning of the three principles, it is hard to determine if equality would have been possible within the donor recipient relationship of SDA. Also, the meaning of reciprocity could not be clarified to the satisfaction of the Dutch government in order to determine the intentions and direction of SDA. Last, the participation principle was not an issue at the time of ratification of the treaty; however at the implementation stage in Bhutan it became a problem, which required capacity building in the Bhutanese National Mechanism and from stakeholders.

The SDA was intended to operate through an independent organisation in the Netherlands and in Bhutan. The Bhutanese government extended full support to the sustainable development secretariat to function independently of the government bureaucracy. In the Netherlands, Ecooperation did not enjoy as much government support as the Bhutanese counterpart. So the core idea of SDA, i.e. breaking away from the traditional mode of development cooperation, became a bone of contention between Ecooperation and the Ministry of Development Cooperation (DGIS) in the Ministry of Foreign Affairs. The ministry did not want to transfer the Overseas Development Assistant (ODA) fund to a new organisation – the Ecooperation. Instead the ODA fund was transferred to the Royal Netherlands Embassy (RNE) in New Delhi. As a result Ecooperation was sidelined from the mainstream projects and left with smaller budget to operate only Type III projects.

Nevertheless, many innovative projects have been developed and implemented in both countries. Bhutan benefited most from Type I projects. It supported the national development programmes of the government and some projects were implemented successfully, like rural energy and culture. Unfortunately, where citizen's participation was required, the projects were less successful, such as Biodiversity Projects Phase II, the human resource and institutional capacity development project, due to the conflicts of interest, stakeholders' participation and information exchange. Only one project was implemented in the Netherlands by the Bhutanese government: to support farmers from the Zeeuwse Vlegel organisation. Although, the project was highly successful, it attracted significant criticism from the Dutch government and media. In this respect, the SDA failed in the Netherlands.

The Type III projects activities were mostly related to cultural exchange programmes, feasibility studies etc. Therefore, it is difficult to assess how they contributed to sustainable development in Bhutan.

Cooperation for sustainable development such as the SDA can be successful only if all partners share an equal stake – financial resources, technological competence and the same vision. The core idea of the agreement was to deviate from the traditional form of cooperation by building a two-way path, promoting equity, reciprocity and participation through dialogue, but it never

succeeded in achieving its goal due to differences in political ideology, socio-economic status and lack of shared vision.

On the other hand, in Bhutan the SDA can be hailed as a successful venture. It was able to instigate new development thinking. The policy makers were able to look at the development programme from a holistic perspective. It created a venue for debate amongst the development managers representing different sectors of the various line agencies, monk bodies, private sectors and interested individuals and made them realise, for the first time, that each represent a part of the whole sustainable progress. So, to achieve sustainable progress, all parts must work in tandem to gain synergy and realise the overall sustainable development goals.

Further, the SDA process led to increased capacity development. SDA supported drafting of new legislations and strengthening the existing rules and regulations. The state officials began to see the importance of human resource capacity as a key to sustainable development and hence, professional studies in rural development, gender, social science, environment and natural science disciplines were encouraged. Many individuals were trained at cross-sectoral support level, which was ignored in past development programmes.

In hindsight, it can be said, that in order for such innovative ideas to be successful the best starting point should be to test this concept with smaller projects within the existing institutional setting, rather than by an agreement. If these results were found favourable, the next step would to be to promote, at the international level, the signing of a formal agreement between countries with similar backgrounds in order to achieve a specific goal.

In the end, the Netherlands's decision to withdraw from SDA surprised all three partners. However, South-South Cooperation continues, but without specific goals and financial resources. The challenge for this new partnership agreement is to attract new donors and stay united. Though Costa Rica and Bhutan share some common ground, the difference with Benin is much greater in all respects. Communication is a major problem amongst all three countries. Therefore, to be successful, such development cooperation can best be organised between countries in the same region with similar culture, landscape and development stages. To promote reciprocity between rich and poor countries an open dialogue and mutual learning are key requirements in the process of sustainable development. This experiment has proved to be a very useful, even though it has received little appreciation from the Dutch politicians.

8 Conclusions and Reflections

8.1 Introduction

Since the early 1960s, when Bhutan progressed from a self-imposed isolation to the modern era, a chain of extraordinary events has set the country on an irreversible transition, faster than the society could sometimes cope with. During this time, Bhutan chose a development path that ensured the preservation of historical and ecological heritage more than economic progress. At the same time the country developed a vision that intended to fulfil the development needs and spiritual aspirations of the people. This remarkable choice can be credited to the enlightened leadership of our successive hereditary kings who instituted a stable government.

At the outset, Bhutan's development plans encapsulated specific goals to achieve self-reliance, interpreted as 'to be able to stand on ones own feet'. This was a bold step for a small and landlocked country. The smallness and inaccessibility acted as the comparative advantage for pursuing the development path leading to Gross National Happiness (GNH). Unlike other developing countries, Bhutan from early years, has been in a position to follow an independent development path without the influence of donor agencies.

As it progressed towards the late 1980s, more international donors were attracted mainly because of what we had, and not on account of what we lacked. As a result, the traditional development donors could not always impose their terms and conditions on the country. Often, the government refused the offer of assistance, if it meant posing threats to the local culture, institutions and the environment. Remarkably, the country declared to the world that for Bhutanese people, happiness is more important than the accumulation of material wealth; and that the overriding development strategy will be to follow the Middle Path. This is the Bhutanese development paradigm.

The unique development paradigm is guided by the philosophy of pursuing happiness – the spiritual and the emotional happiness as superior to material well-being. This philosophy can be equated to the international concept of sustainable development in all respects. The four pillars of Gross National Happiness: preservation of ecology and culture, equitable distribution of economic resources and good governance are the replication of domains of sustainable development. In reality, this philosophy has been challenged by globalisation, especially with the introduction of modern media and communication forms, which expose Bhutanese people to western consumerist, lifestyle and mindset.

Internally too, decentralisation of the governance system and democratisation was a dramatic shift of policy, which left the Bhutanese people at times perplexed emotionally, as the distance between HM the King and the subjects grew wider. These were the profoundly touching

moments in the history of Bhutan. It is uncertain, whether the new governance system will live up to the expectations of society.

Until now, the governance system has worked to serve the people, under the dynamic leadership of HM the King, Jigme Singye Wangchuck. The generation that governs today also grew up in a Buddhist culture; the mental faculty and the physical conditions were attuned to this system of governance. However, in the wake of globalisation and the new constitutional era, the present generation sees development from a new perspective. Given the fact that they are born in a different environment and era, would they uphold the same values and principles of their predecessors? Will the Middle Path and Gross National Happiness prevail in Bhutan's post constitutional era? In post constitution Bhutan, what can our traditional institutions and socio-religious belief systems do to meet the national vision of Gross National Happiness? Or will it be necessary to do so? Will the constitutional democracy allow Bhutan to further sharpen the focus of its Gross National Happiness vision? What would be so fulfilling about being a Bhutanese citizen by 2008 and after? These are challenging questions that justify a thorough study of the actual practice. Such empirical research is quite new in Bhutan. As a result we formulated an exploratory research approach enabling us to analyse the dynamics of the transitional process actually taking place in Bhutan's society and it's social basis.

In this concluding chapter, we will synthesise observations made and also highlight lessons learnt from the case studies. To do so we will reflect on the observations of the case studies and interpret the results in the broader context of the social bases for sustainable development in the pre as well as the post constitutional era in Bhutan. We will also briefly reflect upon the role of religion and culture in post constitutional governance in Bhutan.

8.2   Main conclusions

This research study began by looking at Bhutan's development history, the evolution of it's development philosophy and the policy strategy. The main focus of the study was on the operationalisation of the strategy in various fields and on the perceptions of Bhutanese people. In the context of sustainable development, we find that a good support on the local level and by various stakeholder groups and a supportive institutional environment provide an indispensable force for achieving goals as defined in the Middle Path Strategy. However, in Bhutan this is a major challenge, as the society is experiencing sweeping changes in a short span of time and it is hard to foresee how society and government system will evolve overtime.

The government is in a state of transition. The old structure of a hierarchical top-down governing system is less practicable and therefore, a bottom up process has been encouraged. However, the new participatory and performance-based rules are still rudimentary. The issue of social equity, especially the distributional aspects of the modernisation process, are a topic of discussion in the country. The challenge is to find a balance between openness and preservation, between hierarchy and participation, and between growing national income and distribution among the general population.

The public perceptions of Bhutanese people of the chosen development path, our first empirical research question, have mainly been analysed in Chapter 4 and 6. The empirical study on the public perception of Bhutan's approach to sustainable development in practice, particularly related to the four pillars of Gross National Happiness, highlights diverse views and expressions. By attempting to pursue the objective of Gross National Happiness, individuals are placed at the heart of all development efforts and it recognises the individual has material, spiritual and emotional needs. To this end, Bhutan was inspired by Buddhism to follow a specific route to development: The Middle Path. The civil servants and people from civil society groups and the market fully support the spirit of this development strategy, although not always with a full understanding of the official concept. Generally, people are aware of the importance of the four pillars of Gross National Happiness and they fully support it. So far there is a general feeling that the past development results have been, to a certain extent, equitably shared amongst the citizens, except in some remote districts that enjoy relatively fewer benefits (Chapter 4).

Generally, most people see themselves 'happy' or 'very happy' with respect to their spiritual well-being, the natural environment, social life and cultural heritage. But levels of happiness relating to material wealth were valued relatively lower, reflecting Buddhist values (Chapter 4). In assessing 'Gross National Happiness' a large number of respondents express their state of happiness as 'very happy' or 'happy' (92%). However, they are concerned about conservation of the natural environment and culture and (to a small extent) the risk of corruption spreading into the decentralised governance system.

In our study of the local communities' perceptions of nature conservation policy, we saw that people feel the conservation approach of the government is top-down and is disproportionately skewed to conserve nature at whatever costs. Yet, being a Buddhist country, they hold positive attitudes towards nature conservation; as a result the people give full support for nature conservation. On the other hand, the affect on change in land ownership due to conservation rules and regulations are not received well by the public. Further, wildlife depredation of crops and domestic livestock has affected the local economy and has become one of the causes of rural-urban migration (Chapter 6).

The operationalisation of the development philosophy, related to our second operational research question, has been analysed in the case studies on tourism policy (Chapter 5), nature conservation policy (Chapter 6), and the impacts of the sustainability agreement with the Netherlands (Chapter 7).

In Bhutan the tourism industry plays a vital role in socio-economic development. Tourism is guided by the policy of 'high value, low volume', which means that visitors pay an all-inclusive high tariff of US $ 200 per day, which sets a limit to the number of visitors and consequently prevents negative impacts on the unique nature and culture of the country (Chapter 5).

The tourism sector is one of the fast-growing service sectors in the country. The revenues from tourism constitute an important source of income for the nation and a fair amount reaches small family businesses and local communities, although much of it does not reach the most remote areas. Rural communities benefit from the trickle-down effect of tourism revenue by selling local

produce, goods and handicrafts and providing food and lodging on the trekking routes. In this sense, tourism development has the potential to avert urban migration from rural areas and to keep alive the local culture, arts and crafts.

The 'high value, low volume' policy has been a successful policy so far in preventing negative environmental impacts. The local communities respond favourably to foreign visitors and feel that it has no negative impacts on their culture. But, in the last two years, some of the trekking routes and cultural events have become overcrowded during peak seasons. There is an urgent need for capacity building in infrastructure (hotels and trek routes) and human resource development and policy legislation in tourism industry.

In the second case we looked at the operationalisation of the Middle Path Strategy in the nature conservation policy. We observed somewhat negative impacts on the traditional art and culture of local people. The traditional norms of resource management were ignored. The new government rules restricting the use of non-timber products have affected the production of traditional local arts and crafts. These cultural products are the means of earning income for certain local communities with growing tourism industry in Bhutan.

Nature conservation policy was implemented as a participatory approach to conservation and development following the Integrated Conservation and Development Programme (ICDP). Our research showed that the programme had to face coordination and administrative problems. The district administrators did not appreciate park management initiating ICDP activities unless such programmes were incorporated in the Five Year Development Programme of the district.

The third case analysed the operationalisation of the Middle Path Strategy in Bhutan's relation to the outer world; particularly the reciprocal relationship with the Netherlands. During 1994, North-South relations took a different direction by signing a sustainable Development Agreement between and among Bhutan, Benin, Costa Rica and the Netherlands after the Earth Summit in Rio de Janeiro in 1992. The objective of the agreement was to deviate from the traditional top-down (one way) method of providing development assistance to that of a partnership approach (two-way path) for the promotion of sustainable development, based on the principles of equality, reciprocity and participation. The agreement was interpreted differently in Bhutan and in the Netherlands. In the Netherlands, Dutch politicians were concerned with the legally binding implications of the agreement and demanded more clarity and meaning about the three guiding principles; whereas, in Bhutan, the agreement was viewed more from its emotional and spiritual aspects.

As a result, the Sustainable Development Agreement was received well in Bhutan and accordingly several projects were implemented as planned. It provided capacity building opportunities in all sectoral agencies through various projects and at the central ministries by supporting human resources and institutional capacity development activities of the government. In the Netherlands, however, the government was sceptical about the agreement and the programme received less political support and some of the projects implementated in the Netherlands were criticised. The internal strife between various political parties and the conflict between Ecooperation and the Ministry of Development Cooperation (DGIS) in the Ministry

of Foreign Affairs affected the smooth implementation of projects. In this respect, the agreement failed in the Netherlands.

In hindsight, it can be said that, such cooperation can only be successful if all partners share the same vision, have equal input in the financial as well as technological resources. Further, the best starting point for such innovative ideas should be successfully tested smaller projects in the existing institutional setting, rather than by an agreement and a new 'state-independent' organisation. If the results of such an approach were found favourable, the next step could have been the signing of a formal agreement between countries with similar backgrounds in order to achieve a specific goal.

8.3 Gross National Happiness: practical relevance and implementation in the constitutional era

Our third operational research question focused on the opportunities and risks of the current development path and possible improvements. Before we address this we need to have a look at the most recent development and Bhutan's ambitions for the near future. Since the Eighth Five Year Plan (1997-2002), the GNH concept has been adopted as the central theme of Bhutan's socio-economic development policies, advocating a balanced policy in every field of development. However, the results have not always been positive (Chapter 4). The past development did not result in an increase of the overall happiness of the people. The conservation efforts led to some increase in human-wildlife conflict, which may lead to increasing rural-urban migration, forcing people into a vicious cycle of poverty. Too much emphasis on culture conservation may disrupt individual efficiency and good governance. And finally the distribution of economic development is not equitable, as it concentrates in a certain part of the country (mostly where tourists destinations are prominently developed).

At the philosophical level, many scholars have argued that happiness is the subjective well-being of an individual and is therefore difficult to measure. But Bhutanese decision makers believe happiness need not be measured and it can remain a vision that should serve as an inspiration. This means that GNH will continue to guide and shape Bhutan's development policies, strategies and activities. With our study we showed that an empirical approach to monitoring happiness is possible and it could be valuable in operationalising the middle path strategy.

By June 2007, Bhutan will complete its Ninth Development Plan. Currently, the country is in the process of preparing the Tenth Plan. According to the guidelines for the preparation of the Tenth Plan (2007-2012), the philosophy of Gross National Happiness and the four pillars continue to form the core values (RGoB, 2006). The following includes the observations as to how each pillar represents the core development values.

Promotion of equitable and sustainable socio-economic development
The guidelines for the Tenth Plan reveal that poverty reduction will be the main development priority with the specific objective to reduce the number of people living below the poverty line from 32% (base year 2005) to about 20% by the end of the plan (RGoB, 2006). It also identifies

Table 8.1 Selected sectoral objectives and targets for Tenth Plan (2007-2012)

Sector	Base year (2005)	Tenth Plan (2012)
Proportion of rural households living below the poverty line	31.7%	20%
Access to safe drinking water	84%	100%
Adult literacy	59%	90%
Access to adequate, safe and affordable shelter by the low income group	5%	10%
Increase energy exports contribution to GDP	12%	30%
Installed capacity	468 MW	2705 MW
Coverage of rural electrification	36%	84%
Tourism- contribution to national revenue	2.7%	5%
Annual tourist arrival	13,326 nos.	30,000 nos.
Unemployment rate	2.5%	2%

Source: RGoB, 2006

four key strategies: rural development, balanced development at regional and local levels, private sector development and infrastructure development as the key development priorities to achieve socio-economic development. Some key targets of the Tenth Plan are shown in Table 8.1.

Preservation and promotion of cultural values.
The cultural industry has been recognised as one of the main drivers of social and economic development. The guidelines require every sector to set targets and build strategies to work in the following development areas:

- Continue protection and preservation of cultural heritage,
- Undertake cultural industry mapping,
- Establish a legal framework for the cultural industry,
- Recognise culture as a means of poverty alleviation,
- Promote global awareness and
- Establish an international Buddhist Institute.

These policy guidelines indicate the recognition of the utilitarian value of Bhutan's cultural heritage. Perhaps development of cultural industry and commercial production of Bhutanese arts and artefacts could enhance rural income. Though mass production may diminish the sanctity and emotional values of arts and crafts, it has the potential for socio-economic development and a wider distribution of income.

Conservation of natural environment
The need to preserve the natural environment is unprecedented in Bhutan. Article 5 of the draft constitution of Bhutan stipulates 'It is the fundamental duty of every citizen to contribute to the protection of the natural environment…' (RGoB, 2004). This urgency is echoed in the Tenth Plan guidelines. It recognises the importance of the environment as a key to poverty reduction and continues to create conditions for environmental preservation. As Bhutanese people are

attached to the natural environment economically, emotionally and spiritually, the present policy and the implementation of this programme will contribute to national happiness.

Good governance
Fostering good governance is also a core value of the Tenth Plan. The value is rooted in four key determinants: transparency, accountability, efficiency, and professionalism. In an era of constitutional democracy, the happiness of the people will rest on the strength and robustness of this pillar.

Each agency is required to strive to strengthen aspects of good governance to contribute to the efficient allocation and utilisation of public resources, bring balanced and equitable distribution of wealth, and hence promote happiness and the well-being of the Bhutanese people.

8.4   Bhutan in the era of constitutional democracy

Bhutan looks at a new horizon in the 21st century. It is less than a century since the country was united under a king in 1907. Four decades ago, Bhutan decided to come out of its self-imposed isolation in 1961, and launched a five-year development plan supported by the government of India. In 1990, Bhutan joined the international development partnership for sustainable development on its own terms. At the same time it declared to the outside world its development goal – the promotion of happiness by following the middle path strategy, as opposed to the western view of amassing material wealth. While the scholars were grappling with the concept of happiness, His Majesty introduced yet another milestone in the history of the Kingdom – the drafting of a new constitution in 2004.

The ordinary Bhutanese find it difficult to keep pace with the recent chain of events. The draft constitution was placed before public for open consultation in 2006. HM the King and the crown prince visited all districts and addressed the people and listened to the concerns of the people. In the midst of this eventful period, HM the King, in his address to the nation during the 97th National Day, announced that the constitution will be launched in 2008, and he will resign as the Sovereign Head of the State and handover to the Crown Prince HRH Dasho Khesar Jigme Namgyel Wangchuck.

Our general research question addressed the consequences of the transition process Bhutan is in yet. In that light we will in the remaining of this chapter particularly reflect on:

i.   The practical relevance of Gross National Happiness;
ii. Some critical issues related to the social bases of development;
iii. The role of Buddhism for the future of Bhutan; and
iv. The strengths and weaknesses, opportunities and risks in the post constitutional era.

At this stage there are not definite answers to these issues. One can only speculate, using our empirical studies and to some extent personal intuition.

8.5   Practical relevance of GNH in the post-constitutional era

The philosophy of Gross National Happiness appeals to societies, both in developed and developing countries alike. An individual begins to search for happiness, spiritualism and environmental quality after attaining a certain level of material wealth (Veenhoven, 2004). By standards, the people in the developed countries enjoy a high level of material wealth and standard of living, compared to the people in the developing countries. For them, happiness may be viewed differently. However, for people in developing countries the priorities are different: meeting the basic necessities. In the case of Bhutan, the respondents opined that sound material wealth is an important, but not the only element in pursuing happiness. As a developing country, the relevance of GNH in the post constitutional era in Bhutan can be viewed from: a) state level: the policy pursuit, b) local level: democratic governance and people's participation, and c) individual level: changing pattern of Bhutanese society and the application of GNH to an average Bhutanese citizen.

a. State level – the policy pursuit. According to the draft constitution 'The state shall strive to promote those circumstances that will enable the successful pursuit of Gross National Happiness' (RGOB 2000, Article 9 Section 2). As such, GNH philosophy will continue to guide Bhutan's future path to development. The Centre for Bhutan Studies (CBS) is mandated by the government to develop indicators for GNH. This is a bold move, as many Bhutanese still hold the view that GNH should stay as an inspiration and vision.

b. Local level – democratic governance and people's participation. In the 1980s, the Decentralisation programme started in Bhutan. Now after more than two decade, the process still continues with renewed impetus. Further, the draft Constitution promises to promote those conditions that will enable the pursuit of GNH (RGoB 2000, Article 9). This indicates, the pursuit of GNH will continue under the democratic governance.

c. Individual level – changing pattern of Bhutanese society where does GNH apply? Our research shows that generally people felt individual happiness is more important than GNH. The main constituent of individual happiness is being expressed as the basic necessities of life. Some argue that it depends upon where this question is asked. The level of happiness for people living in urban areas and the rural areas may differ; the individual living in the urban centres may have comparatively better access to the amenities to life. So, every Bhutanese will have the right to pursue happiness, however, in some cases one person's happiness may be another person's sorrow. While the responsibility of the state is to uphold the GNH concept, the internal and external environment will determine whether a person is happy, unhappy or indifferent.

Currently, the happiness philosophy is known mostly in the officialdom of the government bureaucracy. It is known much less in the private sector and the civil society. With democratic governance civil society is likely to have the power to influence government decisions on the development priorities. Consequently, the development focus could shift from pursuing Gross National Happiness to individual happiness.

8.6   Risks related to the social bases of development

Risks can be found at the various levels of capacity building:

a. The systemic level. The most often asked question nowadays in Bhutan is "are we ready for democracy?" This question is irrelevant as the timetable for democratic transition is already set. The question must be, is our judicial system ready for democratisation, do we have sufficient legislation, and how independent is the Bhutanese judiciary from the executive. Within the last decade the Bhutanese legal system has become more professionalised. However, the general public still has the notion that old practice continues to seep through the present judicial system. The guarantee of constitutional rights rests with the strengthening of an impartial and efficacious legal system and creating public trust.

b. Organisational level. A conducive organisational environment and the culture embody the principle of good governance. The present organisational system of governance is highly bureaucratic and hierarchical. Under such a system decision-making power is vested with either one individual or a group who is in authority, and these decisions are rarely questioned. This practice is expected to change or at least to be publicly questioned. Such a practice of public debate could be supported by the development and promotion of independent research institutions and enhance research activities within the existing institutions. The Royal University of Bhutan, which was launched 2003, has recognised the importance of research in the academic field. Practical use of research for decision-making purposes is yet to make inroads and the challenge is to convince the politicians of its need and usefulness.

In the new constitutional state a different organisational set up is planned to maintain checks and balances. The draft constitution recognises six constitutional posts (some posts already exist) – the Election Commissioner, The Auditor General, The Civil Service Commissioner, The Attorney General, The Pay Commissioner, The Anti-Corruption Commissioner. These new organisations need to develop in an efficient manner in order to meet the challenges ahead. In fact, the whole state apparatus needs rethinking in terms of delivering transparent, efficient and effective governance with new organisational set up, managerial capability and professionalism.

c. Individual level. Individual capacity is the key driver for organisational success. Invariably, the new system will call for better, more qualified and experienced individual professionals. Besides, Bhutanese working culture, attitude and more importantly, the development of individual capacity should follow a more fair system. As said above, the University of Bhutan has plans to promote and encourage institutions and individuals to develop research capabilities.

As in many developed as well as developing countries, in Bhutan people also feel that the individual capability and the reward system do not match. Often personal acquaintance or other forms of relationship are used for recognition, while ignoring other equally or more competent individuals. One might question whether this practice will continue in the new constitutional state. The Royal Civil Service Commission (RCSC) is due to implement a new performance based system, recognising individual capability (in July 2006). The expectations are, as envisaged by RCSC, to enhance good governance by enhancing individual capability in the constitutional state.

8.7   Role of religion and culture for future of Bhutan

Bhutan is the only Mahayana Buddhist country in the Himalayan region. By tradition, two religious sects – Nyingma and Kayu – are prevalent in Bhutan. The Nyingma sect is mostly followed in Eastern Bhutan, while the Kayu sect is more popular in the Western part of the country. For centuries, Buddhist heritage has guided the kingdom spiritually and economically both in peace and in war. Buddhist principles are ingrained in the people's way of life – their physical movements, daily activities, farming practices, and dealing with the natural environment are controlled by Buddhist astrology, beliefs and the philosophy of life. In troubled times, the resident deities and spirits provide support by helping to conquer the enemies of the people. Thus, Buddhism and pre-Buddhist religious beliefs (Bon culture) protected Bhutan's nation state for centuries.

The draft constitution recognises Buddhism as the spiritual heritage and state religion of Bhutan (article 3). Further, it recognises culture as an evolving force and that the "state shall facilitate the continued evolution of traditional values….as a progressive society" (article 4). At the same time the constitution also provides Bhutanese citizens the right to freedom of thought, conscience and religion (article 7). When these provisions are placed in the context of modern Bhutan, one can foresee two pertinent issues emerging, which have already been experienced in the developed countries: a) deterioration of Bhutanese culture as result of freedom to choose other religious faiths and increased internal rift between the two sects and, b) Bhutan will experience a gradual shift towards a multicultural society influenced by globalisation.

a. Deterioration of Bhutanese culture as result of freedom to choose other religious faith and or increased internal rift between the two sects. Listening to the present discussion in the country, there is a mixed impression about the role of religion in the constitutional state. One school of thought foresees that Buddhist values, such as understanding, compassion, tolerance, contentment, discipline and generosity, will help to deepen democracy; while others see the religious values undergoing a passage of changes with the passing generations having more complex civil societies under the new governance system. However, a large majority of Bhutanese population still live under the auspices of Buddhism.

At the fundamental level, there is a deeper concern underlying the role of religion in the democratic society. Should there be any misunderstanding between the followers of the two religious sects, the basis of democracy could be jeopardised. However, amongst the lay Buddhists, this distinction is spiritually and emotionally less distinct and relevant compared to the ardent followers. At the moment, this reflection represents the feeling of few individuals, but more research in this area could provide valuable lessons, insights and guidelines for the democratic governance.

b. Bhutan will experience a gradual shift towards a multicultural society influenced by globalisation. Bhutan can no longer be content with a mono cultural society; it must be prepared to accept and govern a multicultural society. The main force of the change agent is globalisation. As discussed in Chapter 2, there is no question of accepting or rejecting globalisation; it is the question of managing it in individual countries. Bhutan's position is untenable despite the middle path

strategy and the philosophy of happiness. Some would see globalisation as the basis of happiness for it can provide much needed sources of material wealth. Besides material wealth, globalisation could also transform the societal culture through the media. This is particularly imminent in a society with a young population, which lacks spiritual and emotional maturity, a proper education and a weak governance system.

To what extent the present culture and value system be relevant in the post constitutional state will depend on how our education system is able to deliver the moral principles of Buddhism, which may be deepened to become part of Bhutanese way of life. Judging by the existing trends, Buddhism and the cultural heritage will remain as iconic figures with less spiritual and emotional reverence and relevance. Under this circumstance, the governance system and the development objectives may be more based on prudent economic decisions than on philosophical principles.

8.8   The strengths and weaknesses, opportunities and threats

In retrospect, the middle path strategy was launched at a time when the country was moving towards a major societal transition faster than other developing countries in the region. In Bhutanese society, with a predominantly rural based economy, such development has had minimal negative consequences for the society, nature and culture. However, today the peoples' perceptions are changing. They feel that while it is important to preserve the cultural identity of Bhutan as a nation state, it must allow for progress and the professional development of an individual. Similarly, environmental preservation is important for human well-being, but people increasingly see it less valuable unless the basic economic necessities of the people are met.

In the post constitutional era, the focus of the middle path strategy could shift. Mainly because the role of the state will be less dominant; and the participation of the civil society and the market is expected to be vigorous in attaining the national development goals. The main development impetus, whether top down, bottom up or a combination of both, will largely depend upon the strength and the character of the ruling government. In this context, we assess the future relevance of the middle path strategy based on its strengths, weakness, opportunities and threats, thus answering our third operational research question (see Table 8.2):

The above matrix shows that a strong political commitment exists to support the four pillars of development, but it is weakened by excessive conservation efforts and some unwillingness to delegate the development management functions from the central authority to the implementation level.

Economically, the middle path strategy will tend to bring slow development. As in the past, development will continue to concentrate in those areas where resource potentials exist. For instance, tourism and hydropower development continues to be concentrated only in some parts of the nation and it results in imbalanced development.

The strong environmental policy of the government has a visible positive effect, at least on the physical condition of the environment. The forest cover exceeds the national mandatory

Table 8.2 Assessment of the Middle Path Strategy against four pillars of development

Development pillars	Strengths	Weaknesses
Economy	• Selection of specific resource potentials for economic development • Focus on integrated management systems	• Restrict market driven economy (privatisation, exchange regulation, liberalisation of trade) • Strong land used policy affecting rural agriculture • Lack of state support to private sector development
Environment	• Strong political commitment backed by Buddhist conservation ethics • Strong environmental legislation • Strong public support	• Too much focus on ecological preservation (wildlife) • Unwilling to extract natural resources • Too much restriction on the use of natural resources
Culture	• Strong government policy for preservation of Buddhist culture	• Too much emphasis on observing Bhutanese etiquettes • It sometimes obstructs efficiency
Governance	• Government committed to decentralised local governance • Willingness of people to participate in local development	• Lack of political support for administration and financial decentralisation of authority from the centre • Unwillingness to strengthen local capacity
	Opportunities	*Threats*
Economy	• Controlled economic development • Equitable distribution of income • Preserve agro biodiversity	• Slow and imbalanced development • Increase rural urban migration • Increase risk of food dependency on India
Environment	• Increase natural capital • Preserve biodiversity • Enhance spiritual well-being • Ecotourism development	• Excessive forest cover leading to increased human-wild life encounter • Less agriculture practices in the rural areas • Risk of increasing rural urban migration
Culture	• Preserve Mahayana Buddhist tradition, spiritualism and cultural identity of Bhutan • Niche market for international tourism and development of cultural industry	• Dilution of cultural identity and loss of intrinsic cultural value and its sanctity due to globalisation • Commercialisation of cultural arts and artefacts
Governance	• Promote democratic governance with emphasis on people's participation • Develop local capacity • Bring balanced development	• Weak local capacity in some districts could lead to imbalanced development as the people's representative are not capable to voice in the National Assembly.

requirement of 60% and is still perceived to be increasing. This could reduce the scale of agriculture practices due to increasing conflict between the wild animals and the farmers. The restrictive uses of non-timber forestry products could also change people's perception of the government's development strategy.

Bhutan's policy on the preservation of the cultural value system is strong. But increasingly it is seen as less efficient in resource management and professional performance. Further, with

globalisation, the culture instead of being a way of life, as in the past, could become an object of economy as already pre-empted in the Tenth Plan guidelines. Under this circumstance, economic valuation or this commercialisation of cultural industry could dilute the values.

The decentralisation programme has some history, but the central government is apparently slow in delegating the administrative and financial powers to the people. As a result, the implementation has been slow and the local capacity remained stagnant (which now poses major challenge in the constitutional era).

In the era of transition, conflicts of interest have become visible. As they are immanent to democracy, these conflicts will be more pronounced in the near future. In our view The Middle Path Strategy, which used to be implemented by the state taking absolute control in all development matters, might be challenged too.

The Middle Path Strategy could stay a viable strategy if a more balanced approached between cultural and environmental preservation and economy could be realised. Therefore:

- Attention needs to be widened from Gross National Happiness to individual happiness aimed at improving the basic standard of living.
- To do so a more equitable private sector development is necessary as the backbone of growth.
- Attention should focus more on generating competitive skills of the younger generation.
- Plough-back mechanisms of the revenues of hydropower and tourism should be used to stimulate private sector growth and development of remote areas.
- Preservation of the environment should take more care of the negative effects on the development of local communities. A new balance should be found in which preservation helps the local communities to stay viable.
- Buddhism should stay vital as a binding force, separated from politics, as it is now.
- Agriculture is part of Bhutanese culture, so practices should be preserved to realise self-sufficiency in food supply.
- The power distances in society, which are part of the traditional hierarchy, have become less efficient, and should be moderated.
- Governance is evolving. The state should put more emphasis on capacities of districts and geog level. Decentralisation of offices should be considered.

This inductive study is the first of its kind conducted in Bhutan. It focused on the operationisation of the Middle Path Strategy in practice and the social basis of striving for Gross National Happiness. The study provided snapshot views of Bhutan's development practices, governance system, and the people's view of the conditions of life, state of economy, ecology and culture, and their interrelationships. Based on the state of affairs prevalent in the pre-constitutional period, an attempt was made to look into the post constitutional era. The opinions and the expressions stated represent the reflection and the mood of the Bhutanese society at the time of this historical transitional period. At this stage many questions remain unanswered. We encourage future researchers to look for the answers and further in-depth study on Bhutan, to contribute to public debate, provide information and record historical underpinnings of Bhutan.

Notes

1   *Jam tha nyinje*, t*ha dam tsey and lahy jumdey* is an expression in Bhutanese saying, which means love and compassion, whatever one does it must be done in good faith and respect as what seed you saw will bear the true fruit.

2   Bhutan is known as Druk and the people of Druk are called Drukpas.

3   The most dynamic era in Bhutanese history came in the 17th century with the arrival of Ngawang Namgyal in1616 from Tibet, the great leader of the Drukpa Kayu school of Mahayana Buddhism. Over the next 30 years Shabdrung Ngawang Namgyal unified the country and established the foundations for national governance and the Bhutanese identity. The Shabdrung also left his legacy the dual system of government – the temporal and theocratic – with Je Khenpo (chief abbot) as the religious head and the temporal leader known as the Desi. This system took Bhutan to the turn of the 19th century, until the birth of the Wangchuk dynasty and establishment of hereditary Monarchy in 1907.

4   Indian saint who visited Bhutan during the 7th century (747:AD) and later found Nyingma Buddhist tradition.

5   The role Prime Minister (or as we call it head of the Government) is rotated amongst the ministers for one-year duration.

6   Dzongkhag is also called district. The district administrator is called the Dzongda (district chief, or governor).

7   Geog consists of cluster of villages that represents the lowest administrative unit; elected village headman called Gup, heads this unit.

8   Chimi is an elected member of people's representatives in the national assembly. One of his duties is to transmit the minutes of the assembly to the people by going round the villages explaining the important decisions taken in the national assembly.

9   DYT refers to District Development Committee Meeting. In Bhutan the governance structure has two layers, the central at the seat of capital and the local governance. District administration is the head of local governance.

10 Paro is one of the 20 districts. It is situated in Western Bhutan. Dzong is synonymous to fortress; it is the seat of administrative, judiciary and monastery institutions.

11 In Bhutan Lyonpo is the title referred to the Minister. At that time Lyonpo Jigmi was the Prime Minister of Bhutan.

12 Kuensel is one of Bhutan's national newspapers which is printed bi-weekly.

13 The teaching is also known as the Noble Eightfold path: the right understanding, right thought, right speech, right action, right livelihood, right effort, right mindfulness, right concentration.

14 Per capita happiness is the ability to seek deeper pleasure in, or contentment with, our individual circumstances (Dorji, 2004, p.6, unpublished report).

15 The model is based on culture and political economy and human ecosystem management theory.

16 Theoretically, Bhutan possesses 30,000 MW of hydropower potential, of which some 16,000 MW is considered technically and economically feasible.

17 Universalia is a Management Consulting Firm in Canada.

18 Bretton Wood Institution is constituted by the International Monetary Fund, The World Bank and the World Trade Organisation.

19 The structural adjustment programme is also referred to as "Washington Consensus" and it is also seen as synonymous with 'neoliberalism' and 'globalisation'.

20 Civil society group includes the general public and the NGOs.

21 This Chapter will be published as: Public perception of Bhutan's approach to sustainable development in practice, Chhewang Rinzin, Walter J.V. Vermeulen and Pieter Glasbergen, Sustainable Development 14 (2006) 5, forthcoming.

22 According to Buddhism, the path of liberation, *the Noble Eightfold Path*, is a graduated process leading from the mundane to the transcendental. It encompasses Right Understanding, Right Thought, Right Speech, Right Action, Right Livelihood, Right Mindfulness and Right Concentration.

23 *DYT and GYT acronyms refers to Dzongkha Yargay Tshogdu and Geog Yargay Tshogchung*. DYTs were established in 1981. GYTs were first introduced in 1991, in order to promote further decentralisation. DYT and GYT Acts were passed in 2002 during the 81st session of the National Assembly.

24 Since the first socio-economic development plan in the early 1960s, Bhutan has followed the Five Year Plan economic development module. By June 2007, Bhutan will have completed nine successive socio-economic development plans.

25 This bank guarantee was an instrument intended to ensure that only genuinely interested operators applied for a license.

26 TDC was formed in 2000 and is made up of high-level RGoB officials from relevant departments and representatives of Druk Air, the private sector and the Association of Bhutanese Tour Operators. The Minister of Trade and Industry chairs it.

27 Minimum number in a group is four. Single individual US$ 40 per night halt, group of 2, US$ 30 per person per night halt and group of 3, US$ 20 per night halt per person. 80% of surcharge paid to tour operator and 20% is ploughed back into infrastructure development through TDF.

28 NCD is the custodian of all Bhutan's protected area system.

29 In 2005 talks have been started to form a hotel sector organisation.

30 The TDF levies USD $10 per tourist per visit over and above the regular tariff. This fund is collected by DoT and remitted to ABTO.

31 RSPN is responsible for carrying out some environmental management programmes as part of the government's Integrated Conservation and Development Programme.

32 Local term for religious festivals. By tradition, they are held at different times in each of the 20 districts. Some Tshechus are more popular than others. The Tshechu in Paro from 21-25 March and in Thimphu from 13-15 September are the most popular with tourists.

33 It is collected separately by tour operators from the individual tourists. However, $10 is deducted by DoT from $200 when making payments to tour operators.

34 Bhutan is a net importing country, mainly from India, so the balance of trade position has a special implication for Bhutan. There is also growing tendency to import from third countries, hard currency earnings from tourism will play a vital role on the balance of payment problems.

35 Exchange 1 Euro is equivalent to 52.10 Ngultrum (Nu) as on 9th February 2006, (source: http://www.kuenselonline.com).

36 Fiscal year of Bhutan runs from 1 July to 30 June. However, the business accounting year follows the calendar year.

37 Royalties are the fixed amount paid to the government for commercial use of state-owned properties such as mining, natural sights etc.

38 Druk Path (4 days), Chomolhari (8 days), Bumthang Cultural Trek (4 days), Laya Trek (13 days), Gangtey Trek (3 days).

39 E.g. Lunana Snowman Trek (24 days), Wild East Rodungla Trek (9 days), Gangkar Phunsum Trek (8 days), Snowman via Nikachu (22 days), Dur spring Trek (7 days).

40 At the exit points of trekking routes the DoT official will randomly check the waste brought back by the guides and cooks and compare it with the shopping list and the unused items. If some waste is found to be missing a fine equivalent to US $ 120 is imposed immediately.

41 85% of the visitors had at least a college education and 63.3% were over 45 years of age, according to the survey conducted by DoT during October 2004. In our survey we found that 78% of tour operators said tourists come to Bhutan to witness the pristine natural environment and beauty (DoT, 2004).

42 Examples are the 'Trees for Travel' programmes in the USA (www.greenbiz.com) and in the Netherlands (www.treesfortravel.nl), both of which finance the development of new forests as compensation for CO_2 emissions from flying with (small) payments by travellers.

43 Later she became the responsible Minister.

44 To clarify the principles of reciprocity, a workshop was conducted among the SDA countries in Bhutan, as required by the Dutch parliament.

45 Eco-space is a concept that refers to the developed countries that are using excessive ecological space in the developing countries to meet their materialistic lifestyle. Hence, the developed countries should pay developing countries to compensate for not using their eco-space. It is synonymous with 'environmental (utilisation) space', as used by e.g. Friends of the earth.

46 ITAD is a consultancy organization, which provides advice to policy makers after conducting an evaluation

47 Sustainable Development Fund (SDF) funded many small projects costing less than US $ 60,000.

48 The honoured high officials usually wear sword during official duties.

49 In Zeeland, a Dutch province in the South of the Netherlands, around twenty farmers established the Zeeuwse Vlegel Foundation' (a non-profit foundation) in 1991. They established this foundation to produce 'Sunnan', a wheat variety, in Zeeland, by using 'sustainable farming methods. Usually this wheat variety was used for making all kinds of agricultural products, but due to change in government policy the production of this wheat variety was forbidden. The aim of the Foundation was to research the possibilities to produce Sunnan as a wheat variety in a sustainable way.

50 This native wheat variety had already dropped out of the national seed list and was on the verge of extinction.

51 Mr. J. de Koeijer has been farmer and chairman of the Board of Directors of the Zeeuwse Vlegel Foundation. Mr. J. Koeman was the Manager of the Zeeuwse Vlegel project.

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Appendix I: Interviews for Chapter

Chapter 1, 2 & 3
Hon'ble Minister Jigme Y. Thinley (the then Prime Minister of Bhutan)
Dasho Nado Rinchen (Hon'ble Deputy Minister, National Environment Commission)
Dasho Bap Kesang (Hon'ble Secretary, Royal Civil Service Commission)
Dasho Megrah Gurung (Board Member, Sustainable Development Secretariat)
Dr. Dechen Tsering (National Environment Commission)
Dr. Sangay Wangchuk (Nature Conservation Division, Ministry of Agriculture)
Mr. Nim Dorji (Director, Sustainable Development Secretariat)
Mr. Phuntsho (Ministry of Home Affairs)

Chapter 4
Dr. Dechen Tsering (National Environment Commission)
Dr. Sangay Wangchuk (Nature Conservation Division, Ministry of Agriculture)
Mr. Nim Dorji (Director, Sustainable Development Secretariat)
Dr. Lam Dorji (Royal Society for Protection of Nature)
Mr. Phuntsho (Ministry of Home Affairs)

Chapter 5
Mr. Thuji Nadik (Department of Tourism, Ministry of Trade and Industries)
Mr. Kinzang Namgay (Department of Tourism, Ministry of Trade and Industries)
Mrs. Chimi Pem (Department of Tourism, Ministry of Trade and Industries)
Mr. Sonam Dorji (Association of Bhutan Tour Operators)
Mr. Tsering Phuntsho (Association of Bhutan Tour Operators)
Mr. Karchung Wangchuk (Lhomen Tours and Treks)
Mr. Yeshey Wangdi (Lhomen Tours and Treks)
Mr. Karma Dorji (Lhomen Tours and Treks)
Mrs. Dago Beda (Etho Metho Tours and Treks)
Dr. Lam Dorji (Royal Society for Protection of Nature)
Mr. Jochu Dorji (Etho Metho Tours and Treks)
Mr. Sangay Dorji (Etho Metho Tours and Treks)
Mr. Kesang (Gangri Tours and Treks)
Mr. Phuntsho (Ministry of Home Affairs)
Mr. Ratu (Gangri Tours and Treks)
Mr. Karma Lodey (Yangphel Tours and Treks)

Chapter 6
Dr. Sangay Wangchuk (Nature Conservation Division, Ministry of Agriculture)
Mr. Karma Tsering (Nature Conservation Division, Ministry of Agriculture)

Mr. Raling Ngawang (Nature Conservation Division, Ministry of Agriculture)
Mr. Karma Phuntsho (Policy Planning Division, Ministry of Agriculture)
Mr. Yeshey Dorji (Policy Planning Division, Ministry of Agriculture)
Mr. Dorji Rinchen (Marketing Division, Ministry of Agriculture)
Mr. Sonam Tobgay (Marketing Division, Ministry of Agriculture)
Dr. Ugyen Tsewang (National Biodiversity Centre, Ministry of Agriculture)
Dungtsho Sherub Tenzin (Indigenous Hospital, Thimphu)
Dr. Lam Dorji (Royal Society for Protection of Nature)

Chapter 7

In the Netherlands
Mr. Wouter Leen-Hijweege (ex-employee of SNV office in Bhutan)
Mr. Herman Varhagen (Royal Tropical Institute)
Mr. Cornel Lambregts (Royal Tropical Institute)
Mrs. Chris Enthoven (Employee of former Ecooperation)
Mr. Peter Lammers (Ecooperation Director)
Mr. Peter Kuperus (Ministry of Foreign Affairs)
Mr. J. de Koeler (Faemer)
Mr. J. Koeman (Farmer)

In Bhutan
Mr. Raling Ngawang (Nature Conservation Division, Ministry of Agriculture)
Mr. Kuenga Namgay (Bhutan Power Corporation)
Mr. Dorji Wangdi (Cabinet Secretariat)
Mr. Jigme Cholen Yezer (School of Fine Arts, Ministry of Home Affairs)
Mrs. Kunzang Chimi (Sustainable Development Secretariat)
Mr. Tempa Gurme, (Bhutan Power Corporation)
Mr. Sonam Palden (Bhutan Power Cooperation)
Mr. Kencho Namgay (Bhutan Power Corporation)
Mr. Nim Dorji (Sustainable Development Secretariat)
Dasho Megrah Gurung (Bhutan Post)
Mr. Tsering Phuntsho (Damji Jigme Dorji National Park)
Mr. Phuntsho (Damji Jigme Dorji National Park)
Mr. Lhapchu (Damji Jigme Dorji National Park)
Mr. Norbu Gyeltshen (Bhutan Power Corporation)

Appendix II: Interview questionnaire

Chapter 4: Questionnaire for Public perceptions of Bhutan's approach to sustainable development in Practice

Key Information Sheet		
1	Major Group	
2	Organization	
3	Sector	
4	Dzongkhag	
5	Sector	
6	Geog	
7	Village	
8	Ecological zone	
9	Name (optional)	
10	Male/Female	
11	Date	
12	Interviewer	
13	Initial	

Part I: Sustainable Development as a Goal

- *Preservation of ecology/environment.*

1. In you view how important is the preservation of the environment? Could you score your answer on a five-point scale (1 = not important; 5 = very important) (1…..2…..3…..4…..5….)
2. If you scored 3 or more in the above question, what are in your view the benefits of preserving the environment?
3. Do you think we should exploit natural resources more for economic development?
4. Are you aware of the environmental policies of Bhutan?
5. Do you think Bhutan's environmental policies help to protect the environment?
6. How would you rate our environmental policies:
   i. Liberal, ii. Stringent, ii. Just right
7. Does the environmental policy affect your day-to-day life? Please score (….1….2….3….4….5….)
8. If you scored more than 3, please indicate how it (or in what way) affects your day-to-day life?

- *Preservation of Cultural Heritage*

9. How do you value Bhutanese culture? Please rate (1 to 5) (…1….2….3….4….5…)
10. Do you think we should protect and preserve Bhutanese culture? (Yes/No)
11. If answered yes, why do you think we need to preserve it? If answered no, why not?

12. Do you think it is important to pay attention to cultural aspects in the framework of sustainable development? (Yes/No)
13. If yes, circle one of the statements below which you think is most relevant for your reason:
    i.   without culture we loose our national identity
    ii. one of the basic tenet of our culture is the "respect" therefore, it has a unifying force and helps to sustain development
    iii. it helps to preserve indigenous knowledge which is important for sustainable development
14. Does cultural preservation affect your day-to-day life? (Yes/No) and in what and why?

• *Socio-economic development (Balanced and Equitable Development (BED))*
15. Do you think that our development effort is balanced and equitable for the benefit of whole society, circle one of the statement below:
    a) yes it is fairly balanced and equitable
    b) no it is not balanced and equitable
    c) somewhat balanced and equitable
16. Do you feel that the benefits of economic development are equitably shared amongst the citizens, circle one of the following:
    a) large extent, b) more or less, c) not at all
17. What factors have affected the above? Please the circle one of the following:
    a) remoteness, b) leadership, c) protected zone
18. Do you think our economy should grow? (Yes/No,). If answered yes, could you indicate how much it should grow in the coming ten years by circling the one of the following statement BED
    a) BED be doubled in ten years
    b) BED be tripled in ten years
    c) BED equal to the present rate
    d) BED be equal to that of India
19. Do you think we should develop our economy by exploiting natural resources? (Yes/No), if yes, which resources circle the following:
    a) Hydropower resources or
    b) Forest resources or
    c) Tourism focused on nature, landscape and culture or
    d) Combination of:
        i.   hydropower and forest resources or
        ii. hydropower and tourism or
        iii. tourism and forest resources of
        iv. hydropower, forest and tourism
20. Please indicate which of the following is more important for you? State reasons for your choice.
    a) economic well-being or
    b) environmental preservation or
    c) cultural and spiritual well-being
21. Briefly state your personal reflection of how economic development has affected your personal life?

22. What do you think of decentralization? (.good/bad). If you think it good circle one or more of the following statement because it:
   a) empowers people to make their own development choice
   b) legitimises political statements
   c) helps capacity building for sustainable development
   d) promotes balanced and equitable development
   e) brings about people's participation, openness, transparency, ownership etc.
23. How are the development plan and decisions made at the local level?
   a) need and participatory
   b) need and consensus
   c) directed by the chairman
   d) directed by the central government through Dzongda
   e) or combination of above (indicate)
24. Are decisions at the local level well communicated to the national government?
   a) fully, b) partially, c) not at all
25. Are there any benefits from the decentralisation programme so far?
26. Do you see risks associated with the implementation of the decentralisation programme? If yes, what are the risks?
27. Do these development policies affect your daily life? (yes/no). If yes, how?

Part II: How do people perceive Middle Path Strategy?
1. Do you know that Middle Path is the development strategy of Bhutan? (yes/no)
2. If yes could you describe in your own words the Middle Path Strategy?
3. Why do you think the government has chosen Middle Path as the development strategy for Bhutan?
4. Do you think this strategy is best for Bhutan please rate (1 being low and 3 being the best) (..1…2…3..)
5. The Middle Path Strategy means avoiding extremes. In this case it means avoiding fast economic growth. Do you agree with this view? Explain your answer
a) fully agree, b) agree to some extent, c) do not agree to some extent, d) do not agree at all, e) not sure
6. Do you feel there is too much pressure to preserve the natural environment? If so, Why?
7. Do you feel there is too much pressure to preserve our traditional culture? If so, Why?
8. Do you feel that the economic development is equitable and balanced? Explain your answer.
9. Do you feel that decentralisation programme helps peoples' participation in decision-making? Explain your answer
10. What other benefits do you get from the decentralisation programme?
11. What are the benefits from preserving the traditional culture?
12. What are the benefits from preserving the environment?
13. Do you think middle path strategy will lead to economic development and as well as GNH? Explain your answer.
14. What opportunities you could foresee with the middle path strategy?
15. What risks do you foresee with the middle path strategy?
16. How could the development policy be improved?

Part III: Implementation dilemmas and capacity building

Implementation of development programme requires institutional, individual and systemic capacity. How do RGOB address these issues? How do people feel about the capacity building programme of the RGOB?

1. Is there sufficient organisational/institutional capacity at the geog level to carry out the development programme on (Explain your answer):
a) Environmental preservation
b) Economic development (agriculture)
c) Cultural preservation
d) Decentralisation (community participation)
2. Are the employees delegated with enough authorities and responsibilities?
3. Do you have adequate support from the central government (Central/Dzongkhags) to carryout your development activities? If not, what are the reasons?
4. What are the opportunities for capacity development in future?
5. What are the risks?
6. Please rank your priority of the next items for Bhutan from 1 to 5:
    • environmental protection   (…1…2…3…4…5…)
    • preserving Bhutanese culture   (…1…2…3…4…5…)
    • forest protection   (…1…2…3…4…5…)
    • creating welfare/economic growth   (…1…2…3…4…5…)
    • good governance   (…1…2…3…4…5…)
    • Agriculture development   (…1…2…3…4…5…)
7. If more material welfare could be created by less forestry protection, would you accept?
    • 10-20% less protected area
    • 20-30% less protected area
    • 30-40% less protected area
    • not any changes at all
8. Please rank the priority (1 to 3) between the following aspects of development:
    • environmental protection   (…1…2…3…)
    • economic growth   (…1…2…3…)
    • social equity   (…1…2…3…)

Part IV: Gross National Happiness (GNH) as development philosophy

1. In your view what is happiness?
2. Which aspects of the following elements constitute happiness, please rank in order of importance (1 being very important and 5 being less important)
    a) Spiritual well being   (…1…2…3…4…5…)
    b) Material wealth   (…1…2…3…4…5…)
    c) Secure social life   (…1…2…3…4…5…)
    d) Maintain natural environment   (…1…2…3…4…5…)
    e) Preservation of cultural heritage   (…1…2…3…4…5…)
    f) National security   (…1…2…3…4…5…)
3. Do you consider yourself happy in terms of (score each time on a five point scale):
    a) Spiritual well being   (…1…2…3…4…5…)
    b) Material wealth   (…1…2…3…4…5…)

c) Social life   (…1…2…3…4…5…)
d) Presence of natural environment   (…1…2…3…4…5…)
e) Rich cultural heritage   (…1…2…3…4…5…)

4. Please indicate the amount of gross national happiness that is present in Bhutan at this moment.
   a) very happy, b) happy, c) unhappy, d) very unhappy
5. How would you rate spiritual well being in happiness:
   a) Important, b) not important, c) depends upon individual

Chapter 5: Questionnaires for Tourism as a Development Mechanism: the case of Bhutan

I. Tour Operators

The Royal Institute of Management is carrying out a research on Tourism in Bhutan in collaboration with the Copernicus Institute for Sustainable Development and Innovation, University of Utrecht, The Netherlands. This purposes of this research is to study how "Tourism works as a development mechanism" in Bhutan. For this purpose it is important for us to know how tourist income is distributed across the whole of Bhutanese society. Therefore, it would be highly appreciated if you could give us your information as accurately as possible. The information given to us will be used for purpose of professional development in RIM and will be treated confidentially.

1. Name of the Tour Agent:
2. Type of ownership: a) Sole Property, b) Company
3. Tour Operation Business Started Since
4. What are the main sources of your income?
a. Foreign Tourist, b) Indian Tourist, c) Both
5. In the following Table please list top five expenditure items that your company spends most in a year. 1 being the highest expenditure, 2 being next highest and so on.

No	Particulars	Rank

6. How many employees do you have?

Category	Male	Female	Total
Guide			
Cooks			
Drivers			
Office and Trekking assistance			
Administrative staff			
Professional guides			

7. How much office rent do you pay per month, if it is a hired office space?
8. What kind of gift or promotional items do you usually buy? Please list.
9. From where do you usually buy these items?
   a) Handcraft shops, b) Local weavers, c) Other source
10. As a tour operator, how and in what ways do you think tourism help local community?
11. In which area(s) does government invest most in the infrastructure development for tourism?

12. In your view which areas do you think investment is needed most?
13. Do you see tourist bring negative impact on our environment? Yes/No.
14. If 'Yes' what kind of negative impacts can you see?
15. Indicate what good lessons do you learn (knowledge, awareness, health and hygiene) from tourism?
16. Why did Bhutan Tourism strategy changed from 'low volume high valve' to ' high volume low impact'?
17. What attracts Bhutan as eco-tour destination?
18. In what way Ecotourism can help preservation of our culture and nature?
19. Why does Bhutan adopt Ecotourism strategy?
20. What kinds of benefits are expected from eco-tourism?
21. Does eco-tourism require new infrastructure development? Yes/No
22. If 'Yes' who is responsible for building infrastructure?
23. How do you expect to benefit by promoting eco-tourism?
24. Would you like to promote eco-tourism?
25. Do you think all stakeholders (DoT, TDF, members of ABTO, MOA) support the same idea?
26. How can Ecotourism be promoted and what will the basic requirements?
27. Does establishment of international tour operators in Bhutan affect your tour operation? Yes/No. If 'Yes' in what way you are being affected?

II. Local community
This questionnaire is regarding impact of tourism on the village culture and the environment. All the respondents must be asked these questions.

1. Status of Respondents……………………………………………………………
2. District…………………………………………………………………
3. Geog…………………………………………………………………..
4. Village…………………………………………………………………
5. How often does tourist visit your village?
   a) Once a year, b) Twice a year, c) Thrice a year or, c) More than three times a year
6. Do you like tourist visiting your locality? Yes/No
7. When tourist visit your village, do you feel:
   a) Happy, b) disturbed, c) embarrassed, d) no difference
8. What are the main reasons of visit, is it because of:
   a) Cultural event such as 'Tshechu'
   b) Handicraft
   c) Trekking route
   d) Sightseeing
   e) Bird watching
9. Do you think they bring good or bad influence on your way of life? Yes/No
10. If 'Yes' please explain in what way they bring such influence.
11. In your opinion is there any benefit you get from tourism in enhancing your income? Yes/No
12. If 'Yes' how do you benefit?

a) Supply of animal transport
b) Sell diary products
c) Sell vegetables
d) Sell meat
e) Sell Village arts and crafts
f) Porter charges
g) Provide lodging
h) Meals
i) Providing Entertainment
j) Others…

13. What is your annual income from tourist activities listed above in the last three years?

Activities	2004 (Amount Nu.)	2003 (Amount Nu.)	2002 (Amount Nu.)

14. Do you see tourist bring negative impact on our environment? Yes/No.
15. If 'Yes' what kind of negative impacts can you see?
16. Indicate what good lessons do you learn (knowledge, awareness, health and hygiene) from tourism?

III. Hotels and Restaurants

The Royal Institute of Management is carrying out a research on Tourism in Bhutan in collaboration with the Copernicus Institute for Sustainable Development and Innovation, University of Utrecht, The Netherlands. The main aim of this research is to study "Tourism as a Development Mechanism in Bhutan". The study focuses on the distributional aspects of tour income across the Bhutanese society. Therefore, it would be very helpful if you could give us your information as accurately as possible. The information given to us will be used for purpose of professional development in RIM and will be treated confidentially.

1. Name:…………………………………………………………………….
2. Type of ownership:
   a) Private ownership, b) Company
3. Location:…………………………………………………………………….
4. District:………..……………………..…………………………………….
5. Firstly I would like to ask you the sources of your income. What are the main sources of your rental income?
   a) Foreign Tourists, b) Indian Tourists, c) Government, d) Local guests, e) Other sources
6. In terms of revenue earning, which one of the following is most important for you, please rank 1-5 (5 being the highest and 1 being the lowest importance).
   a) Foreign Tourist   1 2 3 4 5
   b) Indian Tourists   1 2 3 4 5
   c) Local   1 2 3 4 5
   d) Government guests   1 2 3 4 5
7. Which months of the year do you have high room occupancy rate?
8. Which months of the year you experience lowest room occupancy rate?

9. Regarding your expenditures on operation: On which items you spend most, please make a list of top five expenses heads (in terms of amount spent) and from where do you usually buy these items?

Sl. No	Particulars	Supplier
1		

10. How many employees do you have at the moment?
    a) Male: Permanent…………temporary……………
    b) Female: Permanent…………temporary……………
13. Do you pay Business Income Tax to the Government? Yes/No
14. If 'Yes' please indicate approximately how much in each of the following years?

2004	2003	2002	2001	2000

Chapter 6: Questionnaires for assessing local communities' perceptions of nature conservation policy:

I.   Primary Data (State Level)

State respondents should include Park Managers, Rangers and Officers in the Ministry of Agriculture.

Main research questions

> **A. How and in what way does Buddhism influence nature conservation in Bhutan? (State and village level)**
> Sub-questions:
> a.   How did Buddhist philosophy influence nature conservation policy?
> b.   Are there any differences in view on the relationship between Buddhism and nature protection among the government officials and local people?

1. How do you see nature: (indicate on 5 points scale)   not at all……… very much
   1) As a source of food   1. 2. 3. 4. 5
   2) To be exploited for more income   1. 2. 3. 4. 5
   3) As something valuable own its own   1. 2. 3. 4. 5
2. How much of your present life style is influenced by Buddhist religion?
   (Indicate on 5 points scale) not at all……… very much
                         1. 2. 3. 4. 5
3. How much of your attitude towards nature conservation is attributable to Buddhist religion?
   (Indicate on 5 points scale) not at all……… very much
                         1. 2. 3. 4. 5
4. The government policy towards nature has been a conservative one. Do you agree? (Yes/No).
   If 'Yes' why do you think this is the case?
5. What is your personal view on nature conservation: why is it important for Bhutan?

B. Why did government choose to create conservation parks and how was it popularised? What are the management strategies in park regulations and enforcement, and how did they finance? How is government policy on biodiversity conservation communicated to the local level? (State and village level)

Sub-questions:

Why did government commit to nature conservation and how was establishment of park management financed?

a. How is park management organised and why? Are park managers trained in park management?
b. How are local people involved in the establishment of parks and management of parks?
c. How is implementation of the rules organised and how do park managers deal with offenders?
d. How do they monitor the quality of park?
e. What are the goals of biodiversity conservation?
f. Why are these goals important for Bhutan?
g. How are these goals communicated to local people?

1. Who took the initiatives to establish national parks?
   a) Government, b) Bilateral donors, c) International NGOs, d) Other (specify)
2. How important were in your view various possible reasons for establishing national parks? (indicate on 5 points scale) not at all......... very important
   a) To protect biodiversity   1. 2. 3. 4. 5
   b) To attract donor funding   1. 2. 3. 4. 5
   c) To attract tourists   1. 2. 3. 4. 5
   d) To improve quality of the environment 1. 2. 3. 4. 5
   e) To maintain traditional Buddhist culture 1. 2. 3. 4. 5
   f) Improve income of farmers   1. 2. 3. 4. 5

3. Who financed establishment of national parks?

Particulars	Name	How much? (Nu)	How long?
Bilateral donor			
International NGOs			
Bhutan government			
Other			

4. How did government spend the money?
   a) Establishing park office and management system
   b) Human resource training
   c) Survey and research
   d) Land compensation
   e) Health and Education
5. Why do you think international donors and NGOs chose Bhutan for financing nature conservation?
   (indicate on 5 points scale) not at all......... main reason
   a) Best opportunity to protect pristine forest   1. 2. 3. 4. 5

b) Weak legislation in the country   1. 2. 3. 4. 5

c) Easy to influence government officials   1. 2. 3. 4. 5

d) Public cannot oppose government decision in Bhutan   1. 2. 3. 4. 5

e) Other:........   1. 2. 3. 4. 5

6. How is the park management structure organised?

7. How many staff members work in this park?

8. How is park management organised?

9. How many staffs attended park management training?

Training type	National	International

10. Are local people involved in establishing national parks? Yes/No If yes, in what way are they involved?

11. Are local people involved in day-to-day park management activities? Yes/No If yes, what are their responsibilities?

12. How do you administer park rules and regulations?

13. How are local people involved in administering the rules?

14. Are there incidences of violations of rules? Yes/No

15. How do you deal these violations of rules?

a) Fine, b) Imprisonment, c) Other (specify)

16. How many cases of violation of park rules in a year?

17. What main problems do you see in observing the park management rules?

18. How do you detect or be informed of the violation of park rules and regulations?

19. What are the goals of nature conservation and, how are these goals relevant for sustainable development?

20. How are these goals communicated to local communities, and also to policy and decision makers?

1. When was this park established?

2. What is the total area covered by this park?

3. What kinds of rare plant and animal species are present in this park?

4. Which of them are protected and how are they protected?

5. Is the protection adequate? Yes/No.

6. Why are they protected in Bhutan?

7. Is the protection adequate? Yes/No. If No, what additional rules and regulations are required to protect these species?

8. What kinds of habitats do these kinds of species require?

9. How important are the four possible objectives of development for this park:

(indicate on 5 points scale)   not at all......... very important

a) Economic progress   1. 2. 3. 4. 5

b) Cultural   1. 2. 3. 4. 5

c) Environmental   1. 2. 3. 4. 5

d) Spiritual   1. 2. 3. 4. 5

10. Do local people know about these objectives?

11. Do they agree with these objectives?

12. How and in what way does this park contribute to achieving sustainable development in Bhutan?

> **D. What are the costs and benefits of creating nature conservation areas? (State and village level)**
>
> Sub-questions:
> a.   What are the costs and benefits of nature conservation?
> b.   How did the establishment of park management change the way of life?
> c.   What are the future benefits of nature conservation?

13. What is the annual budget of this park? (budget for the last five years)?
14. How do you mobilise this budget through: (indicate %)
    a) Government budgetary allocation or
    b) Donor assisted funding or
    c) Government as well as Donor assisted fund
15. Do you have compensation scheme for community properties affected by park management? Yes/No. If 'Yes' what are the rules for compensation?
16. How much compensation is paid during the last four years?
17. How do you finance this compensation scheme?
18. Does the construction of Transmission towers and pulling lines through the Parks disturb wild and nature? Yes/No
19. If 'Yes' what extra costs are incurred both for NCD and the Bhutan Power Corporation?
20. In this area covered by nature conservation do you think:
    a) Commercial logging is
       i. Possible, ii. Partly possible, iii. Not possible
    b) Commercial harvest of medical plants is
       i. Possible, ii. Partly possible, iii. Not possible
    c) Commercial harvest of incense plants is
       i. Possible, ii. Partly possible, iii. Not possible
    d) Commercial exploitation of cane and bamboo is
       i. Possible, ii. Partly possible, iii. Not possible
    e) Commercial exploitation of Non-timber forest product plant species is
       i. Possible, ii. Partly possible, iii. _   Not possible
    f) Commercial exploitation of Bhutanese handmade paper is
       i. Possible, ii. Partly possible, iii. Not possible
21. Do park areas affect possibility of expanding diary farms? Yes/No
    If yes how:
    a) Limited possibility, b) Enhance possibility
22. Do park areas affect expansion of cultivation of agricultural cash crops? Yes/No
    If yes, how:
    a) Limited possibility, b) Enhance possibility
23. Are there mineral deposits in the park, which could be economically exploited?
    a)   Yes which can be commercially exploited
    b)   Yes but cannot be commercially exploited
    c)   No deposits are found

24. Are tourist allowed to visit the park? Yes/No. If 'Yes' what type of visits are permitted, please list?
25. Any hydropower station in park? Does the Park Rivers contribute to generation of electricity?

26. What kinds of opportunities do you foresee that would help economic development in future from this conservation policy?
27. Do you foresee any changes in livelihood and pattern of rural urban migration in future due to conservation policy?
28. How can Government of Bhutan expect to benefit from nature conservation in terms of:
    Important…….Very important
    a) Clean air, water and health   1 2 3 4 5
    b) Water resources for hydropower   1 2 3 4 5
    c) Promotion of Ecotourism   1 2 3 4 5
    d) Herbal products   1 2 3 4 5
    e) Other
29. What type of educational benefits are expected from this park?

II. Questionnaire at Village Level

At village level, respondents should be Gup and/or villagers or Mang Ap, Chimi to obtain reliable physical, economic, and social data relating to the village as a whole.

Village Profile

	Particulars	Descriptions	
1	District		
2	Geog		
3	Village		
4	Status of the person (s) talked to		
5	Enumerator (s)		

E. How and in what way does Buddhism influence nature conservation in Bhutan?
Sub-questions:
How did Buddhist philosophy influence nature conservation policy?
Are there any differences in view on the relationship between Buddhism and nature protection among the government officials and local people?

1. We would like to know how Buddhist religion influences your farming practices- we have the following questions.
2. In your view, does Buddhist religion affect your farming practices? Yes/No. If yes how does religion affect on:
    a) Forestry management (Positive/Negative)
    b) In what way?
    c) Animal husbandry (Positive/Negative)
    d) In what way?
    e) Agriculture (Positive/Negative)

f) In what way?

g) Do you think Buddhist religion help nature protection? Yes/No

h) In what way?

i) Are there any protected area(s) in your village, which had been passed down from your ancestors? Yes/No

j) What do you believe in this protected area (s)?

k) Can you tell us what you can extract and what you cannot extract from the protected area (s)?

3. Do you agree with the next statements about nature:

(indicate on 5 points scale)   not at all......... very much

4) Nature is important as a source of food   1. 2. 3. 4. 5

5) Nature needs to be exploited for more income   1. 2. 3. 4. 5

6) Nature is something valuable of its own   1. 2. 3. 4. 5

4. How much of your present life style is influenced by Buddhist religion?

(indicate on 5 points scale) not at all......... very much

1. 2. 3. 4. 5

5. How much of your attitude towards nature conservation is attributable to Buddhist religion?

(indicate on 5 points scale) not at all......... very much

1. 2. 3. 4. 5

F. Why did government choose to create conservation parks and how was it popularised? What are the management strategies in park regulations and enforcement, and how did they finance? How is government policy on biodiversity conservation communicated to the local level? (State and village level)

Sub-questions:

a. Why did government commit to nature conservation and how was establishment of park management financed?

b. How is park management organised and why? Are park managers trained in park management?

c. How are local people involved in the establishment of parks and management of parks?

d. How is implementation of the rules organised and how do park managers deal with offenders?

e. How do they monitor the quality of park?

f. What are the goals of biodiversity conservation?

g. Why are these goals important for Bhutan?

h. How are these goals communicated to local people?

---

1. Do you support the idea of nature conservation? Yes/No and why?

2. Do you know the reasons why the area was converted into nature conservation? Yes/No, which reasons?

3. Do you think park management rules are:

(indicate on 5 points scale) not at all fair......... very fair

1. 2. 3. 4. 5

a) Explain why?

b) Do you consider that park management rules are:

(indicate on 5 points scale) not at all strict......... very strict

<div align="center">1. 2. 3. 4. 5</div>

4. What role do you and other village people play in park management?
   a) Caretaker, b) Co-helper to park management staff, c) Employee, d) Other
5. How much do you care for park areas? [what do you means with this
   a) Same as before the park, b) Much more than before it was a park, c) Do not care at all
6. Did park management inform you about the goals of nature conservation? Yes/No
   a) If 'yes' do you support these goals?, b) Yes/No – ‡ why?
7. What do you think of the way government manages conservation parks?
   (indicate on 5 points scale) too liberal......... too strict

<div align="center">1. 2. 3. 4. 5</div>

G. How did the establishment of parks influence the existing activities of the people and their way of life (agriculture, forestry and animal husbandry)? (village level)
Sub-questions;
a. What were the traditional rules – in agriculture, forestry and animal husbandry practices?
b. How did the rules change after institutionalisation of park management and why?
c. How do people value these changes?

---

1. In your village, what type of land use was mostly prevalent before establishment of park?
   a) Wetland, b) Dry land, c) Tseri, d) Tsamdro, e) Sokshing
1. Has there been a change in land use after establishment of the park? Yes/No. If yes, please describe the change.
2. What were the community rules and norms amongst the people during sowing, harvesting and irrigating the farms?
3. Has park management affected these norms? Yes/No
4. If 'yes' how did it change your rules and norms?
5. How did these changes affect usage of land?
6. Is the area of land being cultivated increasing or decreasing? Why do you think this is happening?
7. Kinds of products are available from the forest before and after establishment of park. Insert Table. (make a list)
8. What mechanism do you use to share these forest products? Please explain the situation before and after the establishment of park.
9. Do you have a community forest programme in your village? Explain any changes occurred before and after the park situation.
10. What are the kinds of livestock present in your village?
11. What kinds of rules exist in managing pastureland in different districts if the herds have to migrate in different seasons?
12. What kinds of rules exist in managing pastureland in case of residential herds?
13. Did establishment of parks change your traditional norms for migratory herds:
    a) It changed into 'no movement', b) It changed into 'restricted movement', c) Same as before

> **H. What are the costs and benefits of creating nature conservation areas? (State and village level split)**
> Sub-questions:
> a. What are the costs and benefits of nature conservation?
> b. How did the establishment of park management change the way of life?
> c. What are the future benefits of nature conservation?

Direct cost to the local community: A changing way of life

1. Are there new rules restricting the use of forest for fuel wood and timber after establishment of the park? Yes/No. If yes, how do the new rules affect your activities:
    a) It bans use fuel wood and timber
    b) It restricts use fuel wood and timber to certain limitations
    c) Free use
2. How do the new rules affect the use of other forestry resources like cane, bamboo and other exotic plants?
    a) No restriction, b) Partially controlled and restricted, c) Fully restricted
3. How are the resource utilisation permits obtained:
    a) food for personal use   (available free/on payment)
    b) fuel wood for domestic use   (free/on payment)
    c) timber for construction domestic use   (free/on payment)
    d) collection of medicinal herbs for personal use (free/on payment)
    e) collection of medicinal herbs for commercial use (free/on payment)
    f) cane and bamboo for domestic use   (fee/on payment)
    g) cane and bamboo for commercial use   (fee/on payment)
4. In what way are your agricultural farming activities affected by the establishment of park?
    a) farming became more extensive with more variety of crops being cultivated
    b) farming became intensive with less variety of crops being cultivated
    c) farming became intensive with more variety of crops being cultivated
    d) no visible affect is experienced on the scale and intensity of farming
    e) affected in other ways: ……….
5. Which wild animals mostly cause this problem?
6. How is loss of livestock to predators compensated:
    a) Fully, b) Partially, c) Not at all
7. Loss of crops to wild animals are compensated:
    a) Fully, b) Partially, d) Not at all

Way of life – community forest management practices

8. How did park rules change the traditional way in which community forestry management was practiced – chose one:
    a) Given full support to old system, b) The old system was adapted, c) Introduced new system and ignored the old one
9. How does the new system affect ownership of community resources?
    a) Remain as community property, b) Changed to Government property
10. If it was changed to government property, how does this change affect your attitude towards common property resources?

a) Positive, give reasons, b) Negative, give reasons

11. What type traditional arts and handicrafts are produced in your village?
12. Do you think park management and its rules have affected art and craft works? Yes/No. If yes, please explain.
13. What extra farming do you have to do as a result of conservation policy?
14. Do you spend time guarding crop at night? Yes/No. If 'Yes' how many members of the family spend how many months in a year?
15. Do you have cases of wild life depredation on crops? Yes/No. If yes, how much is lost to wild life annually? Indicate estimate loss of crops for last five years?
16. What is your opinion about the affect of conservation policy of the government on your way of life now compared to before establishment of the Park?
   a) Most satisfactory, b) Satisfactory, c) Not satisfactory, d) Not relevant

Benefits: economic

17. After establishing park management do you see improvement in:
   a) education facilities,   Yes/No
   b) health facilities,   Yes/No
   c) drinking water facilities,   Yes/No
   d) farm roads,   Yes/No
   e) irrigation,   Yes/No
   f) electricity supply,   Yes/No
   g) agriculture extension services,   Yes/No
   h) increase in forestry resources,   Yes/No
   i) government subsidy given,   Yes/No
   j) increase quality of livestock,   Yes/No
   k) increased animal husbandry extension services, Yes/No
18. How many people from your village are employed in park management?
19. What are the income generating activities initiated/supported by park management for the benefit of local community – please list?
20. Has forest cover in your village increased or decreased since the conservation policy came into effect?
22. If increased, how do your village benefits from this increased forest cover?

III. Community School, RNR and BHU staffs

We would like to gather some information regarding how park management (prote4cted areas) support your organisation and also in your opinion how the park management is benefiting the local community within your areas?

We would like to begin by asking …
1. How does this park benefit the Community School?
2. How many children are enrolled and from how many households?
3. Is the school enrolment increasing or decreasing?
4. How does the park management contribute to the agricultural productivity in terms of:
   a) Increasing or decreasing crop variety,
   b) Increasing or decreasing yield,

    c) Increasing or decreasing income of the household?
5. What are the reasons for above?
6. What are the direct supports given to local community for following activities as they are living in the protected areas?
    a) Agricultural activities,
    b) Forestry activities,
    c) Animal husbandry activities
7. What are adverse impacts on agricultural activities as they are living in the protected areas?
8. Does parks management help supply of drinking water to the local community?
9. How many households have been benefited?
10. How does parks management support BHU?
11. Do you feel that villagers are under pressure as they are living in the protected areas? (Yes/No)
12. If 'yes' explain in what way?
13. If 'no' explain why not?
14. Can you suggest ways by which park management can help local community increase their income?

Chapter 7: Questionnaires for the success or failure of sustainability agreement between the Netherlands and Bhutan:

1. In which context was the treaty signed?
2. Why did Dutch government selected Bhutan as a partner?
3. Who initiated the concept of a treaty between the Netherlands and Bhutan?
4. How was the arrangement made between the Netherlands and Bhutan to sign the treaty?
5. Which actors made the principles of the treaty operational and how was this done?
6. Why was an agreement made on the list of "fields of co-operation"?
7. How was the institutional structure arranged, in order to implement the programme in Bhutan and in the Netherlands?
8. Why was this list changed to: Renewable Natural Resource; Energy and Culture?
9. How did the shift in the political power in the Netherlands affect the programme and the various projects of the treaty?
10. Because of the political shift; were there any struggles between Ecooperation; SNV; the Dutch government and the Dutch Embassy in Delhi, India?
11. Why did Ecooperation stop its activities?
12. What were the procedures for formulating project proposals under the different groups?
13. Which other actors were involved besides Ecooperation, for the development and implementation of the various projects?
14. Do you agree with the statement that the projects are successfully implemented?
15. How does this new partnership paradigm affect the way you are looking at the treaty?
16. In what way is the treaty a good example of the new partnerships paradigm?

Summary

Bhutan is a unique developing country situated in the Eastern Himalayan region. It is the only Mahayana Buddhist country in the region, and Buddhism influences much of its development and environmental ethos. It is unique in the sense that, firstly, it is a Kingdom with an absolute hereditary monarchy, but in 1998 His majesty the King devolved the power to the cabinet and subsequently in 2001, championed the move for constitutional democracy against the will of the people of Bhutan. Secondly, Bhutan came out of its self-imposed isolation only in the early 1960s. The country was also able to enter the international development arena on its own terms. The country has rich natural resources, especially the forest (more than 72% of the country's land surface is under forest cover) and water resources.

The development philosophy of the country is inspired by the notion of happiness. In the 1980s, the King announced that for Bhutanese people maximisation Gross National Happiness (GNH) is more important than the accumulation of material wealth by increasing Gross Domestic Product (GDP).

Bhutan's pursuit for GNH places individuals at the heart of all development efforts and it recognises the individual has material, spiritual and emotional needs. To this end, Bhutan was inspired by Buddhism to follow a specific route to development: The Middle Path. The concept is derived from the Buddhist philosophy that happiness is accrued from a balanced act rather than from an extreme approach. This strategy set the country on a development path that attempts to balance development of four pillars of GNH (the equitable distribution of economic development, preservation of environment and culture, and promotion of good governance) without favouring one pillar over another pillar. Incidentally, the four pillars of GNH are also similar to four domains of the international concept of sustainable development. Therefore, sustainable development has been adopted as the development goal of Bhutan.

When juxtaposed with the existing various global development paradigms (globalisation, partnerships and community participation), The Middle Path Strategy is seen to combine characteristics of both the partnership and the community participation paradigm (Chapter 3). The way development activities are implemented in Bhutan suggests that the state plays a dominant role with focus at the national level. The development impetus is a top down approach. Based on this theoretical framework the research aims to find out how this strategy works in practice and what the peoples' perceptions of this strategy and the future consequences are.

In assessing the public perceptions and the implications of the four pillars of Gross National Happiness, The Middle Path Strategy and individual happiness (Chapter 4), we used both primary and secondary sources. Primary data were collected by conducting structured interviews, as well as open interviews.

The interviews were conducted in ten out of the twenty districts in Bhutan. The geographical locations of interviews were selected on the basis of three main criteria: the ecological zone, the level of development and the presence or absence of the influence of tourism. The respondents were the civil society (consisting of farmers, NGOs and the religious community), the market (businesses) and the state (government officials at the ministries and in the districts). The representatives of civil society and the market were randomly selected. A total of 775 respondents were interviewed, of whom 41% represented civil society, 20% represented the market and 39% were state representatives. The data were processed using SPSS software.

The civil servants and the people from civil society groups and the market fully support the spirit of the development strategy, although not always with a full understanding of the official concept. Generally, people are aware of the importance of the four pillars of Gross National Happiness and they fully support it. So far there is a general feeling that the past development results have been, to a certain extent, equitably shared amongst the citizens, except in some remote districts that enjoy relatively fewer benefits.

Most people regard themselves 'happy' or 'very happy' with respect to their spiritual well-being, the natural environment, social life and cultural heritage. But levels of happiness relating to material wealth were valued relatively somewhat lower, thus reflecting Buddhist values. In assessing 'Gross National Happiness' a large number of respondents express their state of happiness as 'very happy' or 'happy' (92%). However, they are concerned about the pressure of conservation of the natural environment and culture, which does not contribute to growth.

In Chapter 5, we studied tourism policy as a development mechanism in Bhutan. To assess the socio-economic impacts we analysed the added value in the tourism supply chain and the contribution of the tourism sector to the national economy. Both primary and secondary sources were used for the research. We collected the available national statistics and financial data about annual expenditures from a sample of six tour operators (two large, two medium-sized and two small).

In addition, we interviewed the state officials and senior managers in the tourism business. The interviews covered eight districts encompassing the major tourist destinations. In these districts we interviewed 97 households who live along the trekking routes and near cultural sites and are also directly or indirectly involved with tourist activities. In Thimphu, the capital city, where all tour operators are currently located, 46 of the 104 active tour operators were randomly selected and interviewed. Furthermore, the same members of the interview team simultaneously conducted interviews with hotel and restaurant managers in six districts with a separate questionnaire. We interviewed 45 hotel and restaurant owners randomly selected from the 86 that are approved by the Department of Tourism. The data were processed using SPSS computer software.

Tourism industry is one of the economic resources of Bhutan. Currently it plays a vital role in socio-economic development and has potential for future development. The tourism development is guided by the policy of 'high value, low volume', which means visitors pay all-inclusive high

tariff of US $ 200 per day, which automatically limits the number of visitors, prevents negative impacts on the unique nature and culture of the country.

The tourism sector is also one of the fast-growing service sectors in the country. The revenues from tourism constitute an important source of income for the nation and a fair amount reaches small family businesses and local communities, although much of it does not reach the most remote areas. Rural communities benefit from the trickle-down effect of tourism revenue by selling local produce, goods and handicrafts and providing food and lodging on the trekking routes. In this sense, tourism development has the potential to avert urban migration from rural areas and to keep alive the local culture, arts and crafts.

The 'high value, low volume' policy has been a successful policy so far in preventing negative environmental impacts. The local communities respond favourably to foreign visitors and feel that it has no negative impacts on their culture. But during peak seasons some congestion problems have been reported in the last two years at some of the most intensively visited cultural events and trekking routes. There is an urgent need for capacity building in tourism industry particularly with respect to the development of human resources, infrastructure (hotels and trek routes) and policy legislation.

The local communities' perceptions of nature conservation policy is analysed in Chapter 6. The research methods include a review of published and unpublished government reports and documents. We interviewed government officials in the Nature Conservation Department, park managers and park rangers in the various field offices. The interviews were also conducted with the local people simultaneously in two parks, the Jigme Dorji National Park (JDNP) and the Thrumsingla National Park (TNP), using a structured questionnaire. A total of 210 households (one person in each household) were interviewed in eight districts that fall in the park areas. The data were processed using SPSS software and analysed using basic descriptive statistical tools, i.e. frequency and cross tabulations.

The results show that people feel the conservation approach of the government is top-down and is skewed towards conserving nature at whatever costs. Since Buddhism is pro-conservationist, it plays an important role in shaping positive attitudes towards nature conservation among local people; hence the people give full support for nature conservation. But it has negative affect on the land ownership. As a result the conservation rules and regulations are not received well by all the public.

Chapter 7 analyses the success and failure of the sustainability treaty between the Netherlands and Bhutan. We conducted a literature review including the SDA publications, legal documents, proceedings from the annual policy consultations between the two countries, research reports, reviews and evaluation reports. Also, in the Netherlands, extensive research on the minutes covering the Dutch parliamentary debates regarding this topic were conducted and reviewed. An informal discussion was held with the present employees of the Royal Tropical Institute (KIT) working for the sustainable development. Further interviews were conducted in the Netherlands and in Bhutan.

In the Netherlands, we interviewed the ex-employees of the implementing agent (Ecooperation) and representatives of the farmer's association 'Zeeuwse Vlegel'. In Bhutan the respondents were mostly civil servants, such as project managers and sectors heads. Some community members were also interviewed in the areas where our case studies were conducted. As case study of the biodiversity conservation programme Jigme Dorji National Park was selected. This is the oldest and the largest park in the country. Another case study was selected under the rural electrification programme, and the third case study was a cultural project aiming for institutional strengthening of the School of Fine Arts, located in Thimphu.

The Sustainable Development Agreement signed among Bhutan, Benin, Costa Rica and the Netherlands after the Earth Summit in Rio de Janeiro in 1992, was a landmark in North-South co-operations. The objective of the agreement was to deviate from the traditional top-down (one way) method of providing development assistance to that of a partnership approach (two-way path) for the promotion of sustainable development, based on the principles of equality, reciprocity and participation. The agreement was interpreted differently in Bhutan and in the Netherlands. In the Netherlands, Dutch politicians were concerned about the legally binding implications of the agreement and demanded more clarity of the three guiding principles, whereas, in Bhutan, the agreement was viewed more from its emotional and spiritual aspects.

In Bhutan the SDA was received well and several projects related to biodiversity, rural energy, culture and human resource capacity building were successfully implemented. In the Netherlands, however, the government was sceptical about SDA and therefore, it generated less political support and the project implementation in the Netherlands was criticised. The internal strife between various political parties and the conflict between Ecooperation and the Ministry of Development Cooperation (DGIS) in the Ministry of Foreign Affairs affected the smooth implementation of projects. In 2005, the government of the Netherlands decided to withdraw from SDA, leaving the South-South Cooperation (Bhutan, Benin and Costa Rica) to continue by providing financial support until the end of 2007. This move should be sceptically met.

Reflecting on the whole thesis, we revisited all the chapters and gathered the essence of our findings from each chapter (Chapter 8). In Bhutan the democratic system of government will be introduced by the year 2008. The process has raised the level of awareness of the fundamental rights and duties of the Bhutanese public. Under the circumstance, The Middle Path Strategy (MPS) should be seen with different light: bringing a new balance between happiness and growth (with emphasis on preservation of ecology and culture); and happiness and development in relation to the outer world.

The decentralisation programme has some history, but the centre government is apparently slow in delegating the administrative and financial powers to the people. As a result, the implementation has been slow and the local capacity remained stagnant. We also looked at the strengths, weakness, opportunities and threats of (MPS). In our view The Middle Path Strategy, which used to be implemented by the state taking absolute control in all development matters, might be challenged too. So The Middle Path Strategy could stay a viable strategy if a more balanced approached between cultural and environmental preservation and economy could be realised. In this light, we suggested the following recommendations:

- Attention need to change from Gross National Happiness to individual happiness aimed at improving the basic standard of living.
- To do so a more equitable private sector development is necessary as the backbone of growth.
- Attention should focus more on generating competitive skills of the younger generation.
- Plough-back mechanisms of the revenues of hydropower and tourism should be used to stimulate private sector growth.
- Preservation of the environment should take more care of the negative effects on the development of local communities. A new balance should be found in which preservation helps the local communities to stay viable.
- Buddhism should stay vital as a binding force, separated from politics, as it is now.
- Agriculture is part of Bhutanese culture. Practices should be preserved to realise self-sufficiency in food supply.
- The power distances in society, which are part of the traditional hierarchy, have become less efficient, and should be moderated.
- Governance is evolving. The state should put more emphasis on capacities of districts and geog level. Decentralisation of offices should be considered.

This study gives a snap-shot view of Bhutan's development practices, governance system, and the people's view on the conditions of life, state of economy, ecology and culture, and their interrelationships. Based on this information, we attempted to look into the post constitutional era of Bhutan. But many questions remain unanswered. We encourage future researchers to look for the answers and evaluate the events of post constitutional affairs.

Samenvatting

Op het middenpad
Maatschappelijk Draagvlak voor Duurzame Ontwikkeling in Bhutan

Bhutan is een uniek land in ontwikkeling, gelegen in het oostelijke gedeelte van de Himalaya's. Het is het enige Mahyana boeddhistische land in die regio en het boeddhisme heeft veel invloed op de ontwikkeling en omgang met het milieu. Het is uniek omdat, ten eerste, het een koninkrijk betreft met een absolute troonopvolging, maar in 1998 droeg Zijne Koninklijke Hoogheid de koning van Bhutan de macht over aan het kabinet en in 2001 ondersteunde hij de overgang naar een constitutionele democratie. Dit tegen de zin van de Bhutanese bevolking. Ten tweede, pas in het begin van de jaren zestig kwam Bhutan uit haar, zelf opgelegde, isolement. Het land participeerde in internationaal ontwikkelingsbeleid, maar wel op eigen voorwaarden. Het land kent een rijkdom aan natuurlijke bronnen, vooral bossen (meer dan 72% van het land bestaat uit bossen) en watervoorraden.

De ontwikkelingsfilosofie van het land is gebaseerd op de idee van geluk. In de jaren tachtig verklaarde de koning dat voor de Bhutanese bevolking de verhoging van *Gross National Happiness* (GNH) belangrijker is dan de vergroting van materiële rijkdom door verhoging van *Gross Domestic Product* (GDP).

Bhutan's zoektocht naar GNH plaatst mensen in het centrum van alle ontwikkelingen. Uitgangspunt is hun materiële, spirituele en emotionele behoeften. Bhutan is geïnspireerd door het boeddhisme in zijn te volgen ontwikkelingspad: *the Middle Path*. Dit concept is ontleend aan de boeddhistische denkwijze dat geluk gebaseerd is op evenwichtige gedragingen en niet op extreem gedrag. Deze denkwijze leidde het land langs een ontwikkelingspad waarin wordt gestreefd naar een eerlijke verdeling van economische ontwikkeling, behoud van natuur en cultuur, en promotie van betrouwbaar bestuur; niet speciaal in die volgorde. Deze vier hoekstenen van GNH komen overeen met de doelstellingen van het internationale concept duurzame ontwikkeling. Daarom wordt duurzame ontwikkeling door Bhutan gezien als de te ontwikkelen doelstelling.

Wanneer de bestaande universele ontwikkelingsmodellen, 'globalisering', 'partnerships' en 'community participation', naast elkaar worden geplaatst, dan omvat de GNH strategie een combinatie van de eigenschappen van zowel het 'partnership' als het 'community participation' paradigma (zie hoofdstuk 3). De manier waarop ontwikkelingsactiviteiten in Bhutan worden uitgevoerd, suggereert echter een dominante rol van de centrale overheid. De ontwikkelingsimpuls wordt van bovenaf ingegeven. Gebaseerd op dit 'theoretische raamwerk' onderzoekt de onderhavige studie hoe de Bhutanese ontwikkelingsstrategie in de praktijk zich

voltrekt, hoe dit door de bevolking wordt ervaren, en wat de gevolgen hiervan zijn voor de toekomst.

Om de opvattingen van burgers te onderzoeken over de vier hoekstenen van *Gross National Happiness*, *The Middle Path Strategy* en het persoonlijke geluk (hoofdstuk 4) zijn zowel primaire als secondaire bronnen gebruikt. De primaire gegevens werden verzameld door het afnemen van interviews.

The interviews zijn gehouden in tien van de twintig districten van Bhutan. De geografische locaties voor de interviews zijn geselecteerd op basis van de volgende criteria: de ecologische zone, het ontwikkelingsniveau en de aan- of afwezigheid van de invloed van toerisme. De ondervraagden waren o.a. burgers (waaronder boeren, personen uit publieke organisaties en personen uit de religieuze sector), zakenlieden en ambtenaren (regeringsambtenaren bij ministeries en in de verschillende districten). De burgers en zakenlieden zijn willekeurig uitgekozen. Totaal zijn 775 personen ondervraagd, 41% daarvan waren burgers, 20 % zakenlieden en 39% waren ambtenaren. De gegevens zijn verwerkt met behulp van SPSS software.

Ambtenaren, burgers en zakenlieden ondersteunen volledig het karakter van de ontwikkelingsstrategie, maar zij begrijpen het officiële gedeelte niet altijd. Men is zich bewust van het belang van de vier hoekstenen van GNH en deze worden volledig ondersteund. Er bestaat een algemeen gevoel, met nuances, dat de resultaten van het ontwikkelingsproces in het verleden eerlijk zijn verdeeld. Behalve misschien in enkele afgelegen districten waar men relatief minder de voordelen ervaart.

De meeste geïnterviewden beschouwen zichzelf gelukkig of heel gelukkig, ten aanzien van hun spirituele welzijn, de natuurlijke omgeving, het sociale leven en het culturele erfgoed. Geluk gerelateerd aan materiële zaken werd minder hoog gewaardeerd. Dit is een weerspiegeling van Boeddhistische waarden. Bij het vaststellen van de waardering voor *Gross National Happiness* beschouwen een groot aantal ondervraagden zichzelf erg gelukkig of gelukkig (92%). Hoewel zij zich ongerust maken over de druk van het beleid met betrekking tot natuurbescherming en het beleid gericht op cultuurbehoud. Dit kan ook de verdere ontwikkeling beperken.

In hoofdstuk 5 bestudeerden we de ontwikkeling van het toerismebeleid in Bhutan. Om de sociaal-economische impact vast te stellen, analyseerden we de toegevoegde waarde in de toerismeketen en de bijdragen die de toeristensector aan de nationale economie levert. Zowel primaire als de secundaire bronnen werden voor dit onderzoek gebruikt. We verzamelden de beschikbare nationale statistieken, financiële gegevens, en jaarlijkse uitgaven van zes tour operators (twee grote, twee minder grote en twee kleine organisaties).

We interviewden ook ministeriële medewerkers en senior managers werkzaam in de toerisme sector. De geïnterviewden kwamen uit de acht districten waarin de meeste toeristengebieden zich bevinden. In deze districten interviewden we 97 huishoudens die langs de trekroutes en dicht bij de culturele bezienswaardigheden wonen of die indirect met toerisme zijn verbonden. In de hoofdstad Thimpu, waar alle touroperators gevestigd zijn, selecteerden en interviewden we willekeurig 46 van de 104 actieve touroperators. Verder interviewden we hotel- en

restaurantmanagers in de zes districten, gebruikmakend van een separaat enquêteformulier. Er werden 45 hotel- en restauranteigenaren geïnterviewd die willekeurig geselecteerd waren uit de 86 personen die door het ministerie van Toerisme waren goedgekeurd. De gegevens zijn verwerkt met gebruikmaking van SPSS software.

Toerisme is één van de bronnen van inkomsten in Bhutan. Het toerisme speelt een vitale rol in de sociaal-economische ontwikkeling en is nog steeds groeiende. De ontwikkeling van het toerisme is gebaseerd op het concept van 'hoge waarde en lage omvang'. Voor de toeristen betekent dit dat zij op basis van een alles inclusief pakket van 200 USD per dag in Bhutan kunnen verblijven. Hiermee wordt het aantal toeristen in de hand gehouden en wordt de unieke natuur en cultuur van Bhutan behoedt voor negatieve invloeden.

Toerisme is één van de snelst groeiende bedrijfstakken. De inkomsten die dit met zich meebrengt zijn een belangrijke bron van inkomsten voor het land en een belangrijk aandeel komt bij de familiebedrijven en lokale gemeenschappen terecht. Dit geldt echter niet voor de afgelegen gebieden. Lokale gemeenschappen profiteren van het toerisme door de verkoop van lokale producten, goederen en handwerken, en door toeristen die op doorreis zijn onderdak te geven. Op deze manier zorgen toeristen ervoor dat de lokale bevolking zich niet genoodzaakt ziet naar de grotere plaatsen te verhuizen. Het toerisme houdt ook de lokale cultuur en ambachten levend.

Het 'hoge waarde en lage omvang' beleid is een succesvol beleid gebleken. De natuur wordt behoed voor negatieve invloeden. De lokale bevolking reageert enthousiast op buitenlandse bezoekers en heeft het gevoel dat dit geen negatieve invloed heeft op hun cultuur. Maar de laatste paar jaar zijn gedurende het hoogseizoen wel verschillende congestieproblemen gemeld op de drukste wegen langs bezienswaardigheden en trekroutes. Er is een urgente behoefte aan uitbreiding van de toeristenindustrie en dan vooral aan uitbreiding van personele inzet, infrastructuur (hotels en trekroutes) en beleidsregels.

In hoofdstuk 6 analyseerden we de percepties van de lokale bevolking met betrekking tot het natuurbeschermingsbeleid. De onderzoeksmethoden omvatten een studie van gepubliceerde en ongepubliceerde overheidsdocumenten en interviews. We interviewden overheidsmedewerkers van het *Nature Conservation Department*, parkmanagers en beheerders in de verschillende regio's. We interviewden ook lokale bewoners van twee parken, het *Jigme Dorji National Park* (JDNP) en het *Thrumsingla National Park* (TNP). Er werden in totaal 210 huishoudens (één persoon per huishouden) geïnterviewd in de acht districten waaronder de parken vallen. De gegevens zijn eveneens verwerkt met gebruikmaking van SPSS software.

De resultaten wijzen uit dat de bevolking het natuurbeschermingsbeleid van de regering als een opgelegde benadering ervaart. De negatieve effecten daarvan acht men ondergewaardeerd. Omdat in het boeddhisme natuurbescherming een belangrijke plaats inneemt, heeft de lokale bevolking wel een positieve houding over natuurbescherming. Vandaar dat zij hun volledige medewerking hieraan geeft. Maar een negatieve uitwerking op landgebruik wordt ook gesignaleerd. Met als gevolg dat het natuurbeschermingsbeleid niet door iedereen goed ontvangen wordt.

In hoofdstuk 7 analyseerden we de successen en het mislukken van het duurzaamheidverdrag (SDA) tussen Nederland en Bhutan. Naast een literatuuronderzoek, omvattende de SDA publicaties, wettelijke documenten, relevante jaarverslagen van de twee landen, onderzoeksrapporten en evaluatierapporten, hebben we de notulen van Nederlandse regeringsdebatten aangaande dit onderwerp bestudeerd. Met de huidige staf van het Koninklijk Instituut voor de Tropen (KIT), verantwoordelijk voor het verdrag, hebben we informeel gediscussieerd. Verdere interviews werden in Nederland en Bhutan afgenomen.

In Nederland interviewden we voormalige werknemers van het uitvoerende agentschap (Ecooperation) en vertegenwoordigers van de boerenorganisatie 'Zeeuwse Vlegel'. In Bhutan waren de geïnterviewden meestal ambtenaren, zoals projectmanagers en hoofden van sectoren. Leden van de lokale gemeenschappen werden geïnterviewd in de gebieden waar wij onze case-studies uitvoerden. Binnen het biodiversiteitprogramma was Jigme Dorji National Park gekozen als case-study. Dit is het grootste en oudste park van het land. Een andere case-study was gekozen uit het electrificeringsprogramma en een derde case-study was een cultureel project van de School of Fine Arts te Thimphu.

Het duurzaamheidsverdrag tussen Bhutan, Benin, Costa Rica en Nederland (SDA), afgesloten in Rio de Janeiro in 1992, was een keerpunt in de Noord-Zuid samenwerkingsverbanden. Doel van de overeenkomst was het bewerken van een omslag in de traditionele ontwikkelingsrelatie: van de traditionele top-down benadering naar een samenwerkingsverband voor de promotie van duurzame ontwikkeling gebaseerd op gelijkheid, wederkerigheid en participatie. De overeenkomst werd in Bhutan en Nederland verschillend uitgelegd. De Nederlandse politici waren ongerust over de wettelijke gevolgen van de overeenkomst en eisten meer duidelijkheid over de drie begeleidende condities. In Bhutan werd de overeenkomst meer benaderd vanuit de emotionele en spirituele aspecten.

In Bhutan werd de SDA goed ontvangen en verschillende projecten verbonden aan biodiversiteit, energie, cultuur en capacity building werden succesvol uitgevoerd. In Nederland was de overheid echter sceptisch over de SDA en daarom kreeg het minder politieke steun. De implementatie van projecten kreeg veel kritiek. De interne strijd tussen politieke partijen en het conflict tussen Ecooperation en het Departement voor Ontwikkelingssamenwerking (DGIS) binnen het ministerie van Buitenlandse Zaken beïnvloedden de snelle invoering van de projecten in negatieve zin. In 2005 besloot de Nederlandse regering zich terug te trekken uit de SDA. Wat rest is een zuidelijke samenwerking (Bhutan, Benin en Costa-Rica) die Nederland financiert tot eind 2007. Dit besluit moet sceptisch worden ontvangen.

Hoofdstuk 8 geeft een samenvatting van de onderzoeksresultaten en interpretatie van de gegevens. De overgang naar een democratisch systeem in Bhutan zal plaatsvinden in 2008. Voor de bevolking van Bhutan heeft dit overgangsproces het bewustzijn van haar fundamentele rechten en plichten verhoogd. De *Middle Path Strategy* moet nu vanuit een andere invalshoek worden bekeken. Gezocht dient te worden naar een nieuwe balans tussen geluk en economische ontwikkeling (met nadruk op behoud van ecologie en cultuur) en geluk en ontwikkeling in relatie met de rest van de wereld.

Het decentralisatieprogramma is al ingezet, maar de overheid is vrij traag in het decentraliseren van administratieve en financiële taken. Daarom laat de voortgang te wensen over en dat stagneert de ontwikkeling van de lokale bevolking. We analyseerden in dit hoofdstuk ook de sterke en zwakke punten, de kansen en de bedreigingen van de *Middle Path Strategy*. Naar onze mening kan de MPS, waarover de centrale overheid in het verleden absolute controle had, bedreigd worden. De MPS zou een levensvatbare strategie kunnen blijven als een betere balans tussen aan ene kant cultuur- en natuurbescherming en aan de andere kant economische groei gerealiseerd zou kunnen worden. Vanuit dit oogpunt doen we de volgende aanbevelingen:

- De aandacht dient te verschuiven van GNH naar individueel geluk gericht op verbetering van de basislevensstandaard.
- Om dit te bereiken is meer aandacht nodig voor ontwikkeling van de private sector als de ruggengraat van economische ontwikkeling.
- Meer aandacht dient te worden gegeven aan de competitieve vaardigheden van de jonge generatie.
- Er dienen mechanismen ontwikkeld te worden die stimuleren dat de inkomsten uit de waterkracht- en toeristenindustrie aangewend worden voor groei van de private sector.
- Het natuurbeschermingsbeleid dient meer rekening te houden met de negatieve effecten voor de lokale gemeenschappen. Gezocht dient te worden naar een nieuwe balans die de lokale gemeenschappen helpt om vitaal te blijven
- Het boeddhisme moet een bindende factor blijven, gescheiden van de politiek, dus zoals het nu is.
- Landbouw is een deel van de Bhutanese cultuur. De landbouwpraktijken moeten behouden blijven voor voedselzelfvoorziening.
- De machtsverhoudingen in de samenleving, welke traditioneel hiërarchisch geregeld zijn, zijn minder efficiënt geworden, en moeten aangepast worden.
- Bestuurlijke aanpakken zijn in ontwikkeling. De overheid moet meer aandacht geven aan de sturingscapaciteiten van de districten. Decentralisatie van overheidsinstellingen moet overwogen worden.

Dit onderzoek werpt een korte blik op de ontwikkelingen in Bhutan, vooral hoe het overheidssysteem werkt, hoe de bevolking denkt over de levensomstandigheden, de economie, de ecologie en de cultuur, evenals hun onderlinge relaties. Gebaseerd op deze informatie probeerden we een doorkijk te geven naar de periode na vaststelling van de constitutie. Maar vele vragen bleven onbeantwoord. Wij moedigen toekomstige onderzoekers te blijven zoeken naar nieuwe antwoorden in nieuwe tijden.

Summary in Dzongkha

བཅུད་དོན།

འབྲུག་རྒྱལ་ཁབ་འདི་དཔེར་ཕྱོགས་ཀྱི་མ་ལ་ཡ་ཚ་གས་ཏེ་གཞན་དུ་མ་འདུག་སྦྱོར་གོང་ཁ་པོ་འདི་བ་བསྐུང་ཨོད་པའི་རྒྱལ་ཁབ་ཅིག་ཨིན། ཡུང་ཕྱོགས་འདི་ནང་ཀུ་ཐེག་པ་ཆེན་པོའི་ནང་པ་ཆོས་འདུན་གྱི་རྒྱལ་ཁབ་མཐབ་མཐུག་གཅིག་ཨིནམ་ད། གོང་པའོ་དང་ང་གཞི་གནས་ཅུངས་གཏིས། ནང་པ་ཆོས་ཀྱི་གུས་ཀུ་ཀྱི་ཆྱི་གི་ཐོག་ལས་སྦྱེ་ལག་ལེ་འབབ་ཏེ་ཨོད། རྒྱལ་ཁབ་གཞན་དང་མ་འདྲ་ས་སྦྱེ་དེ་འདི་དང་པ་དང་ཀྱགས་འཇུ་ཀྱི་རྒྱལ་འཇི་ཀྱི་རྒྱལ་ཁབ་གཅིག་ཨིན་རུང་ གནམ་ལོ་ ༡༩༩༤ ཡུ་མི་དབང་མཆག་བདག་རིན་པོ་མཆོག་གིས་སྲེ་ཀྱི་དབང་ཚ་རྒྱ་བསྟ་སྟོན་པ་འུན་ཚགས་ཀུ་གནང་བའི་རྒྱལ་ལ། གནམ་ལོ་ ༢༠༠༡ ཡུ་མི་ལས་ཚ་གི་རེ་པ་ཀུན་དུ་མཱ་པར་དུ་ འཁྱིས་ཅན་གྱི་དབང་ས་གཅི་ཧི་རྒྱལ་ཁབ་ཀྱི་གཞི་བཙུགས་གནང་ཡི། གཅིས་པ་ལ། གནམ་ལོ་ ༡༩༥༠ རེ་གྲངས་ལས་ འབྲུག་རྒྱལ་ཁབ་འདི་ སྔས་གཟུངས་ལས་ཏོན་ཏེ་ རྒྱལ་ས་གོང་ཁ་པོའི་ཆོས་ནེ་ཆྱི་ནང་ང་གི་ནེ་འདུ་ཀུར་དུ་འཛིན་ལ་ཁུགས་འབད་ཡི། རྒྱལ་ཁབ་འདི་རང་ བཞི་གྱི་འཛིན་སྦྱེ། གཙོ་བོ་རང་ནགས་ཚག་ལ་(རྒྱལ་ཁབ་ཀྱི་ས་ཚ་ཨོས་བཙོ་མས་ལ་བཅུར་༧༢ ནགས་ཚག་ཀྱིས་གང་ཏེ་ཨོད།) དང་ ཆུ་གཅིས་རྒྱ་ཆེ་དྲག་སྦེ་ཨོད།

རྒྱལ་ཁབ་ཀྱི་གོང་ཁ་པོ་ཀྱི་ཕྱུ་བ་འདི་གཙོ་པོ་རང་ དགར་སྦྱེ་དཔལ་འཛིམས་ཀུ་གཞི་བཞག་ནུ་ཨོད། གནམ་ལོ་ ༡༩༥༠ རེ་གྲངས་ནང་ལ་ མི་དབང་མཆག་འབས་མཆག་གིས་ འབྲུག་གི་མི་ལས་ཚ་ཀུ་དང་འཁོད་འཚོན་བ་སྟེ་རྒྱ་བཞེ་ཀྱུ་ད་ནེ་མེ་པར་རྒྱལ་ཨོངས་དགར་ཀྱི་ དཔལ་འཛིམས་རྒྱ་བཞེ་ཀུ་ཕ་ནེ་དེ་གལ་ཆེ་རེ་གསུངས་གནང་ཡི།

རྒྱལ་ཨོངས་དགར་སྦྱེ་དཔལ་འཛིམས་ཀྱི་དམིགས་དོན་སྤ་བལ་ཐབ་ལ་ མི་ངེ་མ་ཀྱི་ཕྱི་དུ་དོས་དང་ང་ནེ་སེམས་ཁམས་དང་དུ་ཏུ་ཀྱི་ དགོས་པ་ཀྱི་གོང་ཁ་པོ་ཀྱི་བཙོན་ཁུགས་འདི་ནང་འཛི་འབད་དེ་ཨོད། དེ་བེ་བཟའ་དོ་ཀུ་འབྲུག་རྒྱལ་ཁབ་ཀྱི་གོང་ཁ་པོ་ཀྱི་ལམ་ ཕྱུགས་འདི་ ནང་པ་ཆོས་ཀྱི་གཞི་ཡུ་བཟེན་ཏེ་ ལམ་དཔུས་ཕྱུགས་འདི་ཡུ་རྒྱ་ཏེ་འབད་དེ་ཨོད། དེ་བཟུམ་མ་ནེ་གནེ་འདི་ཡང་ དགར་སྦྱེ་ འདི་ ཐུ་ཕྱོད་འདུ་སྐྱོམ་ལས་བཟེན་འབྱུང་མ་ག་གི་གས་སྐྱོ་ལམ་ཆ་མ་ནེ་ཐོག་ལས་འབྱུང་མི་ཆུགས། ཐབས་ཏེས་འདི་གིས་ རྒྱལ་ཁབ་ཀྱི་ གོང་ཁ་པོ་ཀྱི་ལམ་ཕྱུགས་ རྒྱལ་ཨོངས་དགར་སྦྱེ་དཔལ་འཛིམས་ཀྱི་ཀ་ཉེ་ཀ་ཝི་(དཔལ་འབྱོར་གོང་ཁ་པོ་འད་མ་ཆམ་སྦྱེ་བགོ་བཀུམ་ འབད་ནེ་ མཐབ་འཚོར་གནུས་ཅུངས་དང་ལམ་སྤྱོ་ཚ་ལུང་སྐྱོ་འབད་ནེ་ ལཱ་གས་ངུ་གཏུང་སྟོང་རྒྱ་བཙེ་བརུ་ནེ།) འདི་གི གཅིག དང་གཅིས་ཀྱི་བར་ན་ཕྱོགས་ས་མེ་མེ་པར་ད་མཉམ་ཐོག་ལས་གོང་ཁ་པོ་བརང་ནེ་ཀུ་ཐབས་བཙོན་ད་འདུས་ཨོད། ཕྱབས་ལཱ་གས་ཀྱི་ཐོག་

ལས། རྒྱལ་ཡོངས་དགའ་སྐྱིད་དཔལ་འཛོམས་ཀྱི་ཀ་ཉེ་བཟེ་པ་ཡི རྒྱལ་སྤྱི་ཡུན་བརྟན་གོང་འཕེལ་གྱི་གལ་ཚད་དང་འདྲ་ལས། ཡུན་བརྟན་གོང་འཕེལ་འདི འབྲུག་རྒྱལ་ཁབ་ཀྱི་གོང་འཕེལ་གྱི་དགོས་དོན་གཙོ་བོ་སྟེ་ཚ་འཛིན་ལ་བབ་དེ་ཡོད།

དེ་ཏེ་ཡོད་པའི་རྒྱལ་སྤྱིའི་གོང་འཕེལ་དཔེ་ཚོད་ (རྒྱལ་སྤྱིའི་ཐོག་ལས་འགྲོ་བ་ལ་ཟབ་ནི མཐུན་འགྲེལ་ཐོག་ལས་ལག་ལེན་ཟབ་ནི་དང་མི དེ་གིས་བཅད་མར་ག་ཏོགས་ནི) ཚུ་དང་དཔེ་བླ་འབད་བ་ཅིན ལས་དབྱུས་ཕྱོགས་ཀྱི་ཐབས་ཤེས་འདི་ལ མ་ཙམ་ཐུན་དང་མི་དེ་གིས་བཅད མར་ག་ཏོགས་ནི་གིས་ར་གི་འབྲེལ་རིས་ཡོད་ (ལེ་ཁ་ཚན་གསུམ་པ)། འབྲུག་ལུ་གོང་འཕེལ་གྱི་ལག་ལེན་འཐབ་མི་ལུ་བཀུ་བ་ཅིན རྒྱལ་ཁབ་འདི་གི་རྒྱལ་ཡོངས་ཀྱི་གནས་ཚད་ལུ་དགོས་ཏེ་ལག་འབད་བཏེ་རྟགས་མ་ཉེན་ཚིག་ཡོད་པས།   གོང་འཕེལ་གྱི་ལུ་འདི་མགུ་ལས མཐུག་གི་ཀ་གོ་རིམ་ཚིག་ཡོད། གཉི་འདི་ལུ་བཞགས་ཏེ་ཉེ་བ་ཚོམ་དེ་གིས གོང་འཕེལ་གྱི་ཐབས་ཤེས་འདི་དངོས་སུ་ལག་ལེན་དེ་སྟེ འཐབ་ཚོགས་ནི་ཡིན་ནུ་དང ཐབས་ཤེས་འདི་མི་ལོ་ཚུ་གིས་ག་དེ་གོ་ལེ་དོ་ཡོད་ཡིན་ནུ་དང་མཉོངས་པ་ལུ་ཁྱབ་བརྒྱལ་བཟས་ག་དེ་བབད རང་འབྱུང་ནི་ཡེན་ནུ་ཚུ་ལུ་དགོས་ཏེ་ཡོད།

རྒྱལ་ཡོངས་དགའ་སྐྱིད་དཔལ་འཛོམས་ཀྱི་ཀ་ཉེ་བཞི ལས་དབྱུས་ཕྱོགས་ཀྱི་ཐབས་ཤེས་དང་མི་ཙོ་ཁ་ཚོ་གི་དགག་སྐྱི་ཚུ མི་དམང་གི་གོ བ་དང་ཕན་གདོན་ཏེ་ནི་དྲ་བྲི་དཔར་འབད་ཟད། ཤེས་ཚིས་ཚ་དང་འདུ་ལག་གི་འབྱུ་ཆུས་ག་ཚིས་ར་ལས་བབ་དེ་ལག་ལེན་འཐབ་དེ་ཡོད། ཤེས་ཚིས་ཚ་འདི་སྐྱི་སྐྱོམས་དེ་ཡལ་གྱི་ཐོག་ལས་བབད་ཡོད་ཡིན།

དེབ་དེ་ཡན་འདི་ཡང་སྟོང་ཟབ་ཨང་གྲག་འ30 ཡོད་ས་ལས་འ10 ཀྱི་ནད་ཁ་འབད་ཡོད་པ་ཡིན། དེ་ཡན་གྱིས་གནས་གདམ་ཁ་བརྒྱབ་མི་ཏེ དོན་ཁུངས་ཕ་བ་གསུམ་ལུ་གལ་ཉི་ནན་ཏེ་ཡོད་མི་ཏེ་ཡང : ས་ཆེ་གནས་ཚན གོང་འཕེལ་གྱི་གནས་ཚན་ཚ་བཀའ་ལ་ཁག་ཀྱི་ཉུ་ཁུགས་ཡོད་པ དམི་ཏེ་ཆོ་ཡོད དེ་ཡན་བརྒྱབ་མི་ཚོ་ཉེ་བའི་མེ་ལེ་(མི་ལ་ས་མི་ཉམ་པ ཆུ གཱ་ཐུང་མི་ཉེ་ཚིགས་དེ་ཚོ་དང་ཆོལ་དེ་ཚོགས་དེ་ཚོ) དང་ལྡོམ དེ་(ཆེང་དེ) དེ་ལས་གཉུང་དེ་(ཆུན་ཁག་དང་དོན་ཁག་ཆོ་ཉན་གི་གཞུང་ག་ཡིཔ) ཆུ་ཡེན ཤི་བའི་མི་ཏེ་དང་ལྡོམ་གྱི་ཁྲུས་མི་ཆོ དོས་མེ་ཐོག་ལས་སྒྱེ་གནས་མ་བརྒྱབ་ཡོད་པ་ཡིན། དེ་ཡན་འབད་མི་ཡོས་བ་ཏོམས ༧༡༥ ཡོད་ས་ལས་བརྒྱ་ཆ་འ༧༡ ཤི་བའི་ཆིགས དེ བརྒྱ་ཆ་འ30 ཐོམ་དེ་དང བརྒྱ་ཆ་འ༣༩ གཞུང་དེ་གི་འཛུས་མི་ཆོ་ཡེན་པ། ཆད་ཚིས་ཆོ་ཁྱུ་ལ་རེག ཐོག་ལས་དུ་བྲི་དཔུད SPSS འབད་ཡོད་པ་ཡིན།

ཉིག་ཡོག་པ་ལྕགས་དང་ཞིབ་བའི་ཚོགས་ནི་ དེ་ལས་ལྷོ་མ་དེ་གི་དེ་ནུ་ན་གི་གཟུང་དོན་གྱི་གོ་ལ་ལེགས་ཁྲིམ་སྐྲ་མེ་ཏུང་ གོང་པ་ཡག་གི་ཐབས་ཤེས་ལ་དེ་རྒྱལ་སྐྱོང་ལ་བད་དེ་འདུག། ལྱེར་བ་ཏུང་ལ་ མི་ཚོ་གི་རྒྱལ་ཡོང་དགགས་སྐྱོང་དཔལ་འཛོམས་ཀྱི་ཀ་ཉེ་བ་ཟིལ་དགས་ཆེན་ ཡེམ་དུ་གོ་རྗེ་རྒྱལ་སྐྱོང་ལ་བད་དེ་འདུག། དཀྱོ་ཆུན་ཆེ་ལྱེ་བ་ཏུང་གི་བསམ་འཆར་དེ་ འདས་པ་དེ་དང་ཡག་གི་རྒྱལ་འབྲལ་འདི་ ཏུ་ཡམ་འདུ་མ་ཙམ་སྐྲ་མེ་མེར་ཆུ་གི་ཐོབ་ཆུགས་ནི་ཡོང་དང་མཟར་ཟུར་གྱི་དོང་ཁག་ཆུ་དང་ཟུར་དུང་ཆུ་ཆིག་སྐྲ་ཐོབ་དུ་ཡོད་པ་མེ་ནས།

ཨེམས་ཀྱི་གནམ་ཅུངས་དང་ རང་བཞིན་མཐབ་འཁོར་ མི་དེའི་འཆོ་སྐྱོང་ དེ་ལས་རང་ཁུགས་གོ་མས་གཤིས་ཆུ་གི་ཐབ་ཟར་ མི་མང་ཐོས་ཆིག་ རྦ་ཀུང་གིས་དགག་སྐྲོ་ཡོད་དུང་ རྒྱ་ཚོའི་ཡོང་སྐྱོར་གྱི་ཐབ་ཁར་གནས་མེ་ལ་ཆེ་དགགས་ཉོག་ཉོ་མེ་པའི་ཆ་གནས་འབད་མི་ འདྲབད་ དང་པའི་ཆི་མཚོང་ཆུ་གས་ཉོན་འབད་ལས་ཡེ་མེ་ནས། རྒྱལ་ཡོས་དགགས་སྐྱོང་དཔལ་འཛོམས་ཀྱི་དཔལ་ཉེ་ན་ལ་ དེ་དཔུད་བད་ མི་མི་མང་ཐོས་ཆིག་གི་གནས་མེ་ལ་དགགས་ཉོག་ཉོ་ཡོད་པའི་བསམ་འཆར་སྐྱབ་དེ་འབད་དུང་ རང་བཞིན་གནམ་ཅུངས་དང་ལམ་སློལ་ཅམ་ཟུང་དེ་གིས་ གོང་པ་ཡག་ཡ་ཕར་མ་ཐོགས་པའི་ཆི་ཆུང་ཟང་དུག།

ཆོས་ཚོ་ད་དུ་པའི་དང་ན་བཟས་ཀྱི་འཟུག་ལ་བཀུ་བ་ཁལ་དེ་ཁྲུས་དེ་གོང་ལཡོ་ལ་གྱི་ཐབས་ཟུས་ཆིག་སྐྲ་ཅུ་ཆི་ མི་དེའི་དཔལ་འཟྲོ་ཀྱི་ཕར་ གནོད་དུ་བྱེ་ཞིག་ལ་འད་ནི་གི་ཉོ་ལས་ ང་བཟས་ཀྱི་ བཀུ་བ་ཁལ་བཀྱམ་ལ་ཡོལ་ལས་དེ་གིས་ཕར་ཉུས་དང་ བཀུ་བ་ཁལ་ལས་དེ་གིས་རྒྱལ་ཡོས་དཔལ་འཟྲོ་ཡུ་ལ་འབབ་ཁུངས་ཀྱི་ཉུན་ཐབས་ཆི་དུ་བྱེ་དུ་པ་འབད་ཡི། ང་བཟས་ཀྱི་ལོ་ཀུར་ཟད་ཀ་བཙོ་ནི་གི་ཉོ་ལས་རྒྱལ་ཡོས་ ཐི་དཔུད་དུང་ དག་ལ་འགྲོ་གི་ཉུན་ཁུ་ཆི་བཀུ་ལེ་ད་འབད་ཡི། ཐི་དཔུད་དུང་ དག་ལ་འགྲོ་གི་ཉུན་ཁུ་ཆི་ཟང་ བཀུ་བ་ཁལ་ལས་དེ༤ (༣ ཉེ་བ་ ༢ འགྱི་མ་དང་༢ ཉུང་བ) ཆི་གི་ཐིས་ཁུ་ཡུ་དཔལ་བཀུ་ཉེ་མས་ལས་བཙོ་ན་ཡི།

དེ་གི་ཉུན་ཐབས་ལཡ་ ང་བཟས་ཀྱི་བཀུ་བ་ཁལ་ཆི་འགྲོ་དང་གི་གཟུང་གི་གཞི་དཔོ་དུང་ ཞེ་མཚོ་ལེ་འཛི་སྐྱོང་པ་ཆུ་དེ་དཔུད་བད་ཡི། ཐི་དཔུད་ཆི་ཡང་ བཀུ་བ་ཁལ་གྱི་ལ་ཁོས་གཙོ་ཆེན་ཆུ་ཡོད་པའི་ཐོ་ཁགྃ་ གི་ཉུན་སྐྲེ་ལ་འབད་ཡི། ཐོ་ཁགྃ་འདི་ཆུ་ནུང་ བཀུ་བ་ཁལ་གྱི་ བཆུ་ལ་མ་བད་དེ་ཐོ་ཆི་མི་དང་ལམ་སློལ་ལ་ཁོས་ཆུ་གི་སྐྲོ་ཡོ་གས་ལ་ཆོ་མི་ བཀུ་བ་ཁལ་གྱི་བྱ་སྐྲོ་ཆུ་ཟང་ཀར་དང་བ་ཀར་མ་ནི་པའི་ ཐོག་ལས་འགྲོ་བ་ཡོད་པའི་ཆྃ་ཀུ་ (༩) ཡུ་ཉི་དཔུད་བད་ཡི། བཀུ་བ་ཁལ་ལས་དེ་༡༠༩ ཆ་ཉུ་མ་ཟེ་ཕྱག་ལཡ་ཡོད་ལས་ལ་ དེས་

བདེ་"སྐྱིད་ལ་བདག་མི་༩༨ གདམ་ཁ་རྒྱབ་ཞིང་ལས་དེ་དཔྱད་འབད་ཡི། དེ་མ་ཚད་དེ་དཔྱད་དེ་ནོན་འདི་གིས་ཁྱོང་ཁག༠ གི་བཟའ་ཚང་
དང་རང་གང་གི་འཛིན་སྐྱོང་པ་ལྟ་ད་ཆིག་ཁར་ད་མ་ཕམ་ད་དེ་ལེ་ལོ་བཀོད་ཡི། ང་བཅས་ཀྱི་བཀྲ་ཤིས་ལས་ཁྱབ་ལས་ཆ་འཛིག་ཨོད་
པའི་བཟའ་ཚང་དང་རང་གང་གི་ཕོ་བདག་༩༤ ཡི་དེ་དཔྱད་འབད་ཡི། ཀྲུན་ཕྱུ་ཆྱ་ཁང་ ལག་ལེན་འཐབ་ཕྲོག་ལས་བ་རོན་ཡི། SPSS

བཅུ་བ་ཁྱལ་ལས་དེ་དེ་ འཕྲག་གི་དཔ་ལ་འཕྲོར་ཐོན་ཁྱངས་ཆུ་གི་ཐུགལ་ལ་གཤིག་ཡི། དུ་རེ་གུངས་པ་ བཅུ་བ་ཁྱལ་ལས་དེ་དེ་གིས་མི་
དེ་དེ་དཔལ་འཕྲོར་གོང་འཕེལ་ལུ་ཆུན་ཐབས་རྒྱ་ཆེ་སྟེ་རང་འབད་ཡོད་པ་དེ་ཀྱ། མ་ཏོངས་གོང་འཕེལ་ལུ་ཡང་ཨོས་འབབ་སྟོམ་རང་ཨོད་པ་
ཨིན་པས། བཅུ་བ་ཁྱལ་གོང་འཕེལ་དེ་ནེ་གོང་མཐོ་དག་དང་ཅུངས་ཁ་དམར་ཕོས་ཀྱི་སྟོ་སྐྱེ་ཐུག་ལས་ཏོན་ད་འཁྱི། བཅུ་བ་ཁྱལ་པ་ཆུ་ལུ་ཉེ་
ཅུར་ཁྱལ་ སྐྱོ་ལས་༣༠༠ རེ་བཀ་ལ་ཨོད་དེ་དེ་གིས། བཅུ་བ་ཁྱལ་གི་ཅུངས་ཁ་རང་བཞི་ཀྱི་རང་མར་འབབ་འཁྱི་བའི་ཁར་འཁྱབ་གི་
གནན་ད་མ་ད་པའི་མཐའ་འཁོར་དང་ལམ་སྐོལ་ལུ་ གནོད་སྐྱོན་ཐུབ་ནེ་ལས་བཀགཔ་ཨིན།

བཅུ་བ་ཁྱལ་ལས་དེ་དེ་ རྒྱལ་ཁབ་ནང་གི་ཞབས་ཏོག་ལས་དེ་མཁྱོགས་དྲག་འབད་འབར་རྒྱས་ཀྱི་མི་ཆིག་ཁར་ཨིན། བཅུ་བ་ཁྱལ་ལས་དེ་
ལས་བརྟེ་ཏེ་ཐོབ་པའི་འབབ་ཁྱངས་དེ་ རྒྱལ་ཁབ་ཀྱི་ཐོན་ཁྱངས་ཁག་ཆེ་ཕོས་ཆིག་ཨིནམ་དང་ འབབ་ཁྱངས་འདི་ན་གནས་མཐའ་ཙུར་མང་
ཕོས་ཆིག་དང་ཁོད་མ་ཆིགས་ཏེ་རང་སྦེ་ཐུང་ ཏོང་འབབ་འདི་རྙིང་ལས་ཆུང་བ་ད་ལ་གནས་མི་དང་དེ་ནས་ཀྱི་མི་དེ་ཆུ་གི་ཁང་ཡོངས་སྤྱོད་ཆུ་གས་ཏེ་ཨོད།
གོང་གསལ་མི་དེ་ཆུ་གས་ བཅུ་བ་ཁྱལ་ལམ་ཆུ་བདག་ཏེ་ ས་གནས་ཀྱི་ཐོན་སྐྱེད་ལག་བཙོ་ཆུ་ནེ་དང་བཟའ་འཐུང་དང་ཀྱ་ཁང་ཆུ་ཀྱེ་
ཐོག་ལས་འབབ་ཁྱངས་བཟོ་ཆུ་གསཔ་ཨིན་མས། བཅུ་བ་ཁྱལ་གོང་འཕེལ་བ་ང་པ་ཆིན་ ཏོང་གསལ་ཀྱི་ས་གནས་ཆུ་ལས་ཁྲོམ་དེ་དང་མི་ཆུ་
གནས་ལོ་འཕྱི་ནེ་ལས་བཀག་ཆུ་གས་པའི་ཏོས་འབབ་ཨོད་པ་བཞིན་དུ་ ས་གནས་ཀྱི་ལམ་སྐོལ་ བཟོ་རིགས་ཆུ་ཁལ་མ་ཀྱི་བར་གནས་
ཆུ་གས་ནེ་ཨིན་པས།

རེ་གོང་མཆོ་དྲག་དང་སྐྱང་དམར་ཕོས་ཀྱི་སྱེ་ཐྱུལ་རོག མཐབ་འཁོར་ལུ་གནོད་སྐྱེན་ག་ནེ་ཨང་མ་བྱུང་པ་ཨོད་པ་ལས། སྱེ་ཐྱུལ་དེ་ ད་ཀྲོ་
ཆུན་ཁྲོ་མཐར་འཁོལ་འབྱུང་ཏེ་ཨོད་པ་ཨིན། ས་གནས་ཀྱི་མི་དེ་ཆུ་གི་ཁ་ཐག་ལས་འབར་དུང་ཕྱེ་རྒྱལ་ཀྱི་བཅུ་བ་ཁྱལ་པ་ཆུ་ལུ་འདས་ལེ།
ལཕྱས་ཕྱོས་རང་ཨོད་པ་ལས། མི་དེ་གི་ལམ་ལུགས་སྐོལ་ལུ་གནོད་པ་ན་ག་ཨང་མེ་དཔེ་ཆ་གནས་བཐག་ཏེ་འདུག ཨིན་རུང་ འདས་པའི་
ལོ་༢ ཀྱི་ནང་རྒྱལ་ཁབ་ནང་ རང་ཁྱགས་ཀྱི་ལས་རེ་མ་བཅུ་བར་མང་སུ་ཐོན་མི་དང་བཅུ་བ་ཁྱལ་ཀྱི་བཀྲ་ལམ་ཆུ་བདག་ཏེ་བཅུ་བ་ཁྱལ་པ་མ་

ཤིང་པའི་དཀའ་ངལ་བྱུང་བའི་ལོ་རྒྱུས་བརྗོད་ཡོད་པ་ལས་ཡིན་པས། བཀྲ་བ་ཀྱལལ་ལ་དེ་ཆོ་ཉིད། གཙོ་བོ་རང་མི་ལྗོངས་དང་གནའ་རྟེ་མཁོ་ཆས་(བཟང་ཁང་དང་བཀྱལ་ཁུལ་བཅུད་ལཡམ)་ དེ་ལས་ ཀྲིམས་བཅོའི་སྲིད་ཁྱུས་ཆུ་གོང་འཁྲགག་ཀུང་དགོལས་འདུག

རང་བཞིན་བཟབད་འཁོར་ལྱུང་སྐྱོབ་སྲིད་ཁྱུས་ཀྱ་གནས་ཀྱི་མི་དེ་ཆོ་གྱོ་རྟོགས་གོ་རྟོགས་དོ་ནོ་ཆན་ ༤ པའི་ནད་དཀྱི་ཞིབ་འབདད་དེ་ཡོད། ཞིབ་ཀཆྱལ་དེ་ཡང་ གཞུང་གི་ཉུ་ནླུ་དང་ཡོད་ཆས་གཏོ་ཁབད་དེ་ཡོད་མི་དང་མ་འབད་མི་ཆོ་བསྐྱར་ཞིབ་འབད་ཐོག་ལས་འགོ་འདྲེ། འཐབ་ཆི། ང་བཅས་ཀྱ། རང་བཞིན་ལྱུང་སྐྱོབ་ལས་བྱངས་ཀྱི་འགོ་དཔེ་ཡོད་དང། ཐིང་གི་འཛིན་སྐྱོང་པ། དེ་ལས་ཀྱི་ཀ་འགོ་དཔེ་ཆུ་ལྱུ་དཔུད་འབད་ཡོ། དུ་ཐུ་འཛིགལ་མེ་ནོ་རྟེ་དབད་ཕྱག་རྒྱལ་ཡོས་ཀྱི་ག་དང་ཁྱམ་ཞིང་ལ་རྒྱལ་ཡོས་ཀྱི་ག་ཀྱ་ཆེ་ནད་སྤྱེ་དུས་བ་མ་ཆི་ལ་གཞས་ཀྱི་མི་ཆུ་ལ་ཡང་དུ་དཔུད་འབད་ཡོ། ཐིང་གི་ག་ས་སྐོ་ཆུ་ནད་ཆུ་ཡོས་པའི་ཐོང་ཁག ༤ ཀྱི་ཁྱི་མ་ཀུང་པ་བཟོམས ༢༡༠ ལྱ་ཆི་ དཔུད་འབད་ཡོ། ཉུན་ཞུ་ཆུ་ཡང SPSS ལག་ལེན་འཐབལ་ཏེ་འབད་བཟོན་ཡོ།

ཞིབ་འཀཆྱལ་ཀྱི་གྲུབ་འབྲས་ལ་བལྟ་བ་ཆེ། མི་ལེར་ཆུ་ཀྱི་མཐབ་འཁོར་ལྱུང་སྐྱོབ་ཀྱི་སྲིད་ཁྱུས་དེ། གཞུང་ནེ་བ་ལས་བཟྲུ་བཞིད་དུ། གནས་ ཆུངས་ག་ཅིག་བཟྲམ་ཀྲུ་ཁྲུག་འདུ། མཐབ་འཁོར་ལྱུང་སྐྱོབ་ལ་བཟོན་དཔེ་གོ་རྟོགས་ཡོད་"བཟོན་འདས། ནད་པའི་ཆོས་ལས་འབད་འདུ། མཐབ་འཁོར་གནས་དང་ལྱུང་སྐྱོབ་ཁབད་དེ་དེ་ཁག་ཆེ་སྟེ་ཆེ་གནས་ཡོད་པ་ལས། ས་གནས་ཀྱི་མི་ཆོ་ཀྱི མཐབ་འཁོར་གནས་ཆུས་ལྱུང་ སྐྱོབ་འབད་ནེ་ལ་འཆོ་དགོ་མཆོ་བལས་མཐབ་ལོ་བུ་དུ་འཐུག་ནེ་ཆེ་དེག་འཆ་ཅིག་ཡོན་འདས། དེ་ལུ་བརྟེན། མི་ལེར་ཀྱི་མཐབ་ འཁོར་ལྱུང་སྐྱོབ་སྲིད་ཁྱུས་ལ་རྒྱལ་སྤྱིར་རེ་ཁྱུ་ཁྱི་ཆུ་གགས་དེ་ཡོད་པས། ཡོད་ཐུ་ལ་ཆ་བདག་དབད་ལ་གཔོད་པ་ཆུང་མ་འཆ་དེ་ལུ་བརྟེན་ མཐབ་འཁོར་ལྱུང་སྐྱོབ་ཀྱི་ཁྲིམས་དང་ལམ་ལྱུགས་དེ་ལུ མི་མང་ག་ལ་ཐུག་ལས་དངེ་ལ་ཡ་གས་ཀྲོམ་ཆེ་འ་མི་འདུ།

དེ་ནོ་ཆོན་ ༡ པའི་ནང་ འཐུག་དང་ Netherlands རྒྱལ་ཁབ་ག་ཆེས་ཀྱི་ཁྱར་ནུ ཚམས་འཁྱུར་མེ་པའི་ཆིས་ས་ཡིག་བཟོ་ཡོད་མི་དེ་ཀྱི་ཀྱལ འཐུལ་ཁྱུང་མི་དང་མ་ཐུང་མི་གི་སྐོལ་ལ་དཀྱི་ཞིབ་འབད་དེ་ཡོད། ང་བཅས་ཀྱི་ཚམས་འཁྱུར་མེ་པའི་ཀོང་འཁྱོང་ཆེ་ཆས་ཡིག་གི་ཡིག་ཆས་ གནས་ཀྲོན་འབད་མི་ཁྱིམས་དོ་ཡིག་ཆས་ འཐུག་དང་ Netherlands རྒྱལ་ཁབ་ག་ཆེས་ཀྱི་ལོ་ལྱུར་སྲེ་ཁྱུལ་གྲོལ་བཟྲུན་ཆི་གི་གྲོལ་ཆོན་ ཞིབ་འཀཆྱལ་ཉུན་ལུ བསྐྱར་འཐུ་དང་ དཔྱེ་ཞིབ་ཉུན་ཞུ་ཆུ་ལྱ ཐོམ་རེག་གི་བསྐྱར་ཞིབ་ཆེག་འགོ་འདྲེ་འབད་བའི། དུ་འང རྒྱལ་ ཁབ་ལྱ་སྲེ་དོན་ཆོན་དེ་གི་ཆོག ཆིགས་ཁབད་དང་སྐྱེ་ཀཞུང་གོས་གནད་མི་ལས་ཁྱུང་མི་སྐོལས་ཆོན་ཆུ་ལྱ་ལ་ཡང་ཞིབ་འཀཆྱ་དང་བཟྲུར་

ཞིབ་མཐེལ་ཕྱིར་འབད་ཡི། ཛམས་འཛུར་མེད་པའི་གོང་འཕེལ་གྱི་དོན་ལས་ལྱ་འབད་མི་ Royal Tropical Institute (KIT) དང་ དེ་
རེས་ཡོད་པའི་ལས་ཁྱེད་པ་ཚུ་དྲ་ཡང་གློས་བཟུར་ཅིག་འབད་ཡི། འབྲུག་དང་ རྒྱལ་ཁབ་གཞིས་དང་ དེ་དཔུད་ཚུ་འཛུར་རང་
འགོ་འདྲེན་འཐབ་ཅི།

ང་བཅས་ཀྱི Netherlands རྒྱལ་ཁབ་ནང་ལས་ལེན་ཆོལ (Ecooperation) གོ་ལས་བྱེད་པ་བགྱེས་པ་ཚུ་དང་མི་ལམ་ཞིང་པའི་ཆོགས
པ Zeeuwse Vlegel གི་འབྲུས་མི་ཚུ་ལུ་དེ་དཔུད་འབད་ཡི། འབྱག་ལུ་དེ་དཔུད་འབད་མི་མང་ཤོས་ཅིག གཞུང་གཡོགཔ དཔེ་ན་
ལས་འགྲལ་འཛི་སྐྱོང་པ་དང་དེ་ཚན་འགོ་ཁྲེད་པ་ལེ། ང་བཅས་ཀྱི་ཞིབ་འཚལ་འབད་བའི་སྐོར་ཆུ་ནུད་ མི་དྲེའི་འཛམས་མི་ཚུ་ལུ
ཡང་དྲེ་དཔུད་འབད་ཡི། སྟོག་ཚགས་ལུ་ཚིགས་ཤུང་སྐྱོལ་ལས་རིམ་གྱི་ཞིབ་འཇུག་དོན་ལུ། འཛིགས་མེ་དྲེ་རྡེ་རྒྱལ་ཡོངས་གྱི་ག་དན་ཁ
རྒྱབ་ཅི། གྱིང་ག་འདེ་ཁང་འབྲུག་གི་གྱིང་ག་ཚུ་གི་དུང་གསེ་ གཞི་བཞགས་ལས་འབད་དེ་ཁྱོ་མང་ཤོས་འཁྲི་མི་དང་ སྟོམ་ཁྱོ་ཆེག་ཡེན།
གཔན་ཡང་ སྒོང་ཁ་ལས་ཁྱོ་མི་བཀུམ་ལཡོལ་ལས་རིམ་ཚོས ཞིབ་འཇུག་ཅེག་གདམ་ཁ་རྒྱབ་ཅི། ད་ལས་ཞི་བ་འཇུག་གསུམ་པ་དེ འམ
སྱོལ་ལས་འཁྲལ་ཅིག་གི་སྐོར་ལས་ཡི། དེ་གི དྲམེགས་ཕུལ་འདེ་ཨང་མི་ཚབ་ཕྱག་ལུ་ཡོད་པའི་བཙོ་རེག་སྐོར་བྱུ སྲུང་སྲུང་འཚོ་དེ་ཞེ
དྲམེགས་དོན་ལུ་ཡི།

སྤྱི་ལོ་ ༡༩༩༢ ལུ་ སགནནན Rio de Janerio ཟེར་ས འཛོམ་ཚོགས་ཀྱུན་ལུ་ ཞལ་འཛོམས་སྒྱོལ་བའི་རྒྱལ
ལུ་ འབྲུག Benin, Costa Rica དང་ Netherlands རྒྱལ་ཁབ་ཚོ་གི ཛམས་འཛུར་མེད་པའི་གོང་འཕེལ་ཀྱི་ཉེས་ཡིག་བུ
མཚོན་རྟགས་བགོད་མི་དེ བྱང་དང་འཕྱི་གི་གར་ན མཇམ་འབྲེལ་ལུ་གལ་གནད་ཆེ་སྟེག་སྐྲ་གནམས་འབད་ཡོད་པ་ཡིན། ཉེས་ཡིག་དེ་གི
དྲམེགས་ཕུལ་དེ་འང་ རྱར་ལས་ཡོད་པའི་ མཁུ་མཛད་(སྤྱོག་ཅེག་བཀུར) གི་གོང་འཕེལ་ཀྱི་སྒྲོགས་རམ་ཁྲི་སྲོལ་ཡོད་མི་དེ་ ལྷི
སྤྱོམས (སྤྱོག་ས་གཉེས) པདྲ་ཚོན་འཕྲེལ་ག་འྲྒེགས་ཀྱི་གའི་ཅ་ཚོ་ལུ་གཞི་བཀལ་སྟེ་ ཕུན་བཏུན་གོང་འཕེལ་བ་ཐང་དེ་གོ་དོན་ལུ་མཇམ
འབྲེལ་ཡོད་པའི་རྒྱལ་ཁབ གཅིག་གི་གཅིག་ལུ་སྒྲོགས་རམ་འབད་ནི་ཡོད་པའི་ལམ་ལུགས་གསར་བཏུན་དེ་གེས་དོན་ལུ་ཡིན་མས། ཆེང
ཡིག་དེ་ འབྲུག་དང་ Netherlands རྒྱལ་ཁབ་གཉེས་དང་གོ་བ་བདུ་སྒྲོ་ལས་སྦེ་བྱུང་ནུག Netherlands རྒྱལ་ཁབ་ནང་འབད་བ
ཅེན་རྒྱལ་ཁབ་ཀྱི་སྲིད་དོན་མཁས་པ་ཚོ་ལུ ཆེངས་ཡིག་དེ་གི ཞིགས་ལུགས་ཚར་ཀྱི་གནུད་དོན་ཚོ་ལུ ཆ་གྱི་ལངས་ཏེ ལམ་ལྟོན་ཚ་དོན་

གསུམ་ཀྱི་གོ་རྟོག་དགོ་པའི་རྟགས་པ་ཤུད་བཀོད་ཡོད་པ་ཡིན་པས། བརྒྱུད་ལ་ཡབད་བ་ཆེན་ཉིང་ཡིག་དེ་མང་ལྡ། སེམས་ཁམས་ཚོག་གོ་

རྟགས་ལ་བད་ཡོད་པ་ཡིན་ནས།

བརྒྱག་ལ་ཉམས་འགྱུར་མེད་པའི་གོང་འཕལ་ཆེ་རས་ཡིག་དེ་ མི་ཚོགས་དེ་ལ་ཡེ་ལཱེ་གས་ཀྲོ་སྟ་རང་བད་དེ་ སྲོག་ཆགས་སུ་ཚོག་ གོང་

གསེལ་ཐུས་ཀྲུ་ལ་སྐོ ་ མི་ནྱིབ་ ཚོགས་ཀྱི་ཡར་རྒྱས་དང་འགྲོ་བའི་ལ་འགུལ་ལེ་བྱ་དྲ ་ མཐར་འཚོ་ཚེར་ལ་དད་རང་

ཡག་ལ་ལ་འབྲབ་ཡོད་པ་ཡིན་མས། དེ་འབད་ས་དུ་ Netherlands ལྱུ་ ཁོ་གི་གཞུང་གིས་ ཆེ་རས་ཡིག་དེ་ལྱུ་གོས་པ་རྒས་མི་

བཀྲེ་ སྲེ་བྱུབ་ཀྱི་རྒྱབ་སྐོར་དུ་རུ་ཁ་ཆེག་ལ་བརྒལ་མ་ཚོ་པ་འི་བར ཁོང་གི་རྒྱལ་ཁབ་འད་ ལ་འགུལ་ལ་ལ་ལ་ཟ་ཡང་ སྟྱེ་བ་ཚོད་

འབད་ནུས། སྲེ་དོན་ཚོགས་པ་ཁག་ཚུ་ད་ར་ནུ་འབྱུག་ལ་མི་ཉིན་ དང་འབྱུག་ལ་འདས་མེ་ནི (Ecooperation) དང་གོང་འཕལ་མ་ཉམ་འགྲོ་ཇུས་

ལག (DGIS) གི་བར་ན་ མ་འགྱིགས་པ་ཚོ་ཏེ་ ལ་འགུལ་ལ་ཚུ་ལག་ལེ་འཟབ་དུ་བར་རད་ལ་ཆྱུང་ཡོད་པ་ཡིན་པས། ལྱི་ལོ་ ༢༠༠༥

ལུ་ Netherlands གཞུང་གིས་ཉམས་འཟུར་མེ་པའི་གོང་འཕལ་ཆེ་རས་ཡིག་གི་མཆོན་ཏྲགས་བཀོད་མི་རྒྱལ་ཁབ་ཆུ་གི་གྱུལ་བར་ལས་

འཛོན་འཀྱེ་ཀེ་ ཆོས་པ་འདེ་ནད་ འབྱུག Benin, དང་ Costa Rica རྒྱལ་ཁབ་གསུམ་ལས་བཀལ་མ་ལྱུས་པས། ཞེ་ནེ་རུ་ལྱི་ལོ་

༢༠༠༧ ་ལོ་གས་མཆལ་ས་ གོ་གས་ར་མ་འཕོ་མཐུད་དེ་རང་ཀྱི་ནི་ཡོད་པས།

ཞེབ་འཇུག་འརི་ལ་བྱུག་ལ་བ་ས་མ་སྐོ་བ་ཏུ་དང་ཏེ ད་བཅས་ཀྱི་ དོན་ཚན་ཚ་མ་ཛམ་ཤུག་བ་ཞིག་ས་ལ ཞེབ་ཀཆིལ་ཀྱི་དོ་བ་དུ་བ་ཏེན་ཡེ (དོ་ཚན་༡་པ)། བརྒྱག་ལ་མི་སེར་གཞུང་སྟྱེ་ལ་མ་ལ་གས་དེ་ ལྱི་ལོ་ ༢༠༠༩ ་ལས་འགོ་བཙུག་ས་ཉེ་ཡེ་མ་བ་ཉེ་དུ་ བརྒྱག་གི་མི་སེར་

ལྱུ་ ཁོ་གི་རང་དབང་དང་འགན་འཁྲུ་རྒྱ་གི་གོ་བ་ར་ཡང་ ཇག་པར་དུ་འབྱུང་ཏེ་ཡོད་པ་འདེ། གསུམ་ཇུས་འདེ་བཟུམ་ལྱུ་ བར་ལ་མ་བཟས་

བྱུ་དེ་གི་གོ་བ་ཡང་ སེ་སྟྱེ་རང་ཉེ་འདེ་དགོ་པ་འདུག། དེ་ཡང་ མཐབ་འཚོ་དང་ལ་མ་སྐོ་ཉམས་ལྱུ་གཙོ་བོ་བ་ཏྲན་ཏེ་ དགའ་

ཀྱེ་དང་ཡར་རྒྱས་ཀྱི་བར་ན་ཚིག་སྐོ་གས་པར་བཟོ་དེ་ དེ་ལས་ ཕྱི་རྒྱལ་ཚུ་ད་འགྲོ་བའི་དགའ་ཀྱེ་དང་གོང་འཕལ་ཚ་ཡིན་མས།

དབང་ཆ་ཕྱིར་ལ་བ་ལ་རེ་དེ་ལུ་ལོ་རྒྱས་དུ་མ་གུ་ཞིག་ཡོད་ཡེ་ཅུང་ དཔེ་ས་གཞུང་གི་ལ་ཕྲག་ལས་ མི་སེར་ལུ་བ་དགག་སྟྱེང་དང་དུ་ལ

འཆུལ་ཀྱི་དབང་ཚ་ཆུ་ལྱོ་ནེ་དེ་དུ་ས་ཕུ་དུ་མ་ཟག་ར་ཉ་ལོ་མ་ལས དབང་ཆ་ཕྱིར་ལ་བ་ལ་ལ་རེ་ལ་ཡག་ལ་ཉེ་འབྲབ་ཉོ་ནོ་ལ་གཟས

ཀྱི་ཚོགས་གྱུབ་ཡར་རྒྱས་འགྲི་མ་ཚོགས་པར་ལུ་སོ་ལུ།། ཞ་བཅས་ཀྱི་ བར་ལ་མ་བཟས་བྱུ་ཀྱི་ཚོགས་གྱུབ་ སྐོ་གནྱ་ གོ་སྐུལ་ལ་དང་

ཉེན་ཁ་ཚོད་བཀག་ཞིབ་འཇུག་ཨེ། ང་ཚོས་ཀྱི་བསམ་འཆར་ལས་ལབ་བཏུབ་པ་ཚེ། གནང་གི་དབང་ཚང་ཚུབ་ཀྱུན་བལམ་བལུམས་ཏེ། བར་ལས་མ
ཐབས་ཐུབ་ཀྱི་ཐོག་ལས་གོང་འཕེལ་ཀྱི་རྒྱུ་རྣོ་ཚུ་ལག་ལེན་འཐབ་སྲོལ་ཨོད་མི་དེ་ཡང་དཀར་ལ་ཨོདཔ་ལབ་བདང་མཛོང་ཨེ། བར་ལས་མ
ཐབས་ཐུབ་དེ་ཡང་། ལམ་སྲོལ་དང་མཐར་འཚོར་ཉམས་མྱུང་ དེ་ལས་དཔལ་འབྱོར་གསུམ། ཅག་པར་དུ་ཆེིག་སྐྱི་ཐོག་ལས་ལག་ལེན
འཐབ་སྟེ་ལ་བདན་པ་ཚེི་ཅུད་ཆིག་ཁོ་ལ་བ་དང་འདུས་ཅོང་དེ་ཨེེད་མས། དེ་ཚིུ་ལེམས་ལར་བ་ཐན་ཏེ། ང་བཅས་ཀྱི་ཁོ་གོ་རོ་ག་ཏུ་ཆི
བཀོད་ཨེ།

- གཞི་རྟེན་འཚོ་བའི་གནས་ཅུངས་ཡར་རྒྱས་བ་རྒུ་ག་ཀྱི་གི་མཁེགས་ཁྱུ་ལ། རྒྱ་ཡོངས་དགའ་སྐྱི་དཔལ་འཛིམས་དེ། མི་ངེའི་
དགར་སྐྱེ་ཡུ་འཁྱུར་བཚས་འབད་དེ་གཚོ་པོར་བཏོན་དགོི་པ།

- དོན་བརྒྱབ་དེ་གི་དོན་ཁྱུ། ཡར་རྒྱས་ཀྱི་གཞི་རྟེན་སྟེ། སྤྱིར་སྤྱོམས་སྐྱེར་དེ་གོང་འཕེལ། ཅག་པར་དུ་གཏུང་དགོི་དགོ།

- མ་འོངས་ན་གནོེར་བུ་བཅུད་ཀྱི། འགྲུལ་བཔར་འཚན་དྲི་རིག་ཡུལ་གོང་འཕེལ་གཏུང་དེ་ཡུ། ཉེ་བཀག་ལ་བཚོན་དགོི་པ།

- རྒྱ་ལ་བརྟེན་པའི་སྐོག་མེ་དང་བཀུ་བ་ཁལ་ལས་བྱུང་པ་འབཔ་ཁྱུང་ཚུ། སྐྱེ་དེ་གོང་འཕེལ་ཀྱི་དོན་ཁྱུ་ལག་ལེན་འཐབ
དགོི་པ།

- མཐབ་འཚོར་གནུས་ཅུངས་ཉམས་མྱུང་འབད་བདན། ས་གནུས་ཀྱི་མེ་དེ་ཚིུ་ཡུ་གཉོ་པ་ཁྱུང་ཨོད་པའི་སྐྱོ་ལས། ཅག་པར་དུ་བཀུ
ཞིབ་འབད་དགོི་པ།

- ནང་པའི་ཚོ་ན་དེ། དུ་རེས་ག་ཡེ་ནམ་སྟེ། སྤྱེ་དོི་ཚོུ་དང་། སྣ་བལོ་མ་བཐུག་པར་གནས་དགོི་པ།

- སོ་ནམ་དེ། འབྲུག་མེ་ཚོུ་གི་ལམ་སྲོལ་ཀྱི་ཆ་ཤས་ཆིག་འབད་ལགས་ལས། སོ་ནམ་ཀོུ་དེ། བཟབ་འབྱུང་རང་སྐྱོང་དོེན་ཀྱི་དོན་ལས
ལལ་མ་བཐུག་པར་ཉམས་མྱུང་འབད་དགོི་པ།

- མི་སེེ་དང་། དོེན་གོང་ལ་ཨོད་པའི་དབང་ཚོན་ཀྱི་དུབྱེ་བ་དེ། དུ་རེས་རྣས་པར་ཚན་མེ་ཏོ་སྤྱེ་ཡར་ཨོང་ཏེ་ཨོད་ལ་ལས། སྤྱེ
སྤྱོམས་སྤྱེ་བཚོ་དགོི།

- གནུང་གི་ལ་ཐུག་ལས། ཏོང་འཁག་དང་ཏྱེ་ཁོ་ཚོུ་གི་ཞེགས་ཀྱུབ་ལ་ལང་ལུ་གཚོ་པོར་བཚོན་དགོི་ཨོད་པ་དང་། ཨེིག་ཚོན་ཚོུ
དབང་ཚོན་སྤྱིར་ལ་ཡ་གནང་དགོི་པ་དགོ།

འདེི་ཞིབ་འཇུག་འདེི་གིས་ འབྲུག་གི་གོང་འཕེལ་ཐབས་ཐུབ་ གནུང་སྐྱིང་ལམ་ལུགས། འཚོ་བའི་གནས་ཅུངས་ མི་མང་ཀྱི
བསམ་འཆར་ དཔལ་འབྱོར་གནས་ཅུངས་དང་ མཐར་འཚོར་ ལམ་སྲོལ་ དེ་ཚོུ་གི་བར་ནའི་མཐུན་མོང་ཚོ་གནས་ལ་སྤྱོན་འབད་ས
ཨེེན། སྐྱུན་ཁུ་དེ་ཚོུ་ཡུ་གནཞི་བཞག་སྟེ། ང་བཅས་ཀྱི་འབྲུག་ཁུ་ ཨེའ་བ྄ིས་ཆེན་མོ་དེ་ལག་ལེན་འབཔ་དེ་ཨ྄ེོ་བཐུག྄ས་པའི་རྐྱལ་ཁུ
རྒྱ྄ལ་ཁབ་ད྄ེག྄་ད྄ེ་སྤྱ྄ེ་ག྄ཚ྄ོ་ཨང྄་བ྄྄྄྄ིིུལ྄་བ྄་ཅ྄མ྄་ཨ྄ེ། ད྄ེ་འ྄པ྄ར྄ས྄་ད྄྄྄྄ིིུག྄་བ྄ང྄་ཆ྄ིག྄ས྄་ཡ྄ར྄་སྤ྄ོན྄་མ྄་ཆྱ྄ག྄ས྄། ཡ྄ན྄྄྄ིི
ཚ྄྄ུ མ྄་འ྄྄ོང྄ས྄་པ྄འ྄ི་ཞ྄ིབ྄་འ྄ཚ྄ོར྄་པ྄་ཆྱ྄ག྄ས྄་རྒྱ྄བ྄་སྟ྄ེ། ད྄ུབྱ྄ེ་པ྄ར྄་འ྄བ྄ད྄་ཆྱ྄ག྄ས྄་པ྄འ྄ི་ཨ྄ེམ྄ས྄་ཆྱ྄྄ུས྄་བ྄སྐྱ྄྄ེད྄་པ྄་ཨ྄ེན྄།