Gross National Happiness (GNH): Linkages to and Implications for Macromarketing

Gene R. Lacznia

eugene.lacznia@marquette.edu

Nicholas J. C. Santos

Marquette University, nicholas.santos@marquette.edu

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Gene R. Laczniak: College of Business Marquette University, Milwaukee, WI
Nicholas J.C. Santos: College of Business Marquette University, Milwaukee, WI

Abstract

This theoretical commentary explores the concept of Gross National Happiness (GNH) and connects it with several central macromarketing concepts such as QoL, ethics, the common good, the purpose of market activity as well as the United Nations’ Sustainable Development Goals. The paper portrays GNH as a normative concept that captures collective well-being; it categorizes GNH, at least from the standpoint of Western moral philosophy, as most closely aligned with classical utilitarianism, and it distinguishes GNH from QoL on the basis of its predominantly aspirational and subjective orientation. It asserts that GNH can be seen as one manifestation of the common good, and, in that manner can be perceived as a ‘more ethical’ conception of the purpose of business activity. Finally, it links GNH to promising areas of Macromarketing scholarship. One essential
contribution of this commentary is that it differentiates subjective community happiness from more objective measures of QoL familiar to macromarketing studies.

Keywords Gross National Happiness, Quality of life (QoL), common good, marketing ethics, classical utilitarianism, UN Sustainable Development Goals (UN SDGs)

Introduction

Is the pursuit of Gross National Happiness (GNH) a realistic goal for a society? If so, might GNH have incremental usefulness as a macromarketing variable to assess market outcomes? Is GNH merely a surrogate for Quality of Life? In this essay, we will explore these questions and others with a particular regard to macromarketing perspectives.

Gross National Happiness (GNH) is a phrase first coined in 1972 by Bhutan’s fourth Dragon King, Jigme Singye Wangchuck, to reflect the collective happiness of his nation (Centre for Bhutan Studies 2017). The concept had its roots in Bhutan’s Eastern culture and can be seen as mirroring fundamental Buddhist spiritual values such as kindness, equality and humanity—essentials for a contented life. The construction of the term Gross National Happiness is intended as a direct contrast to the most typical Western measure of national well-being, Gross Domestic Product (GDP)—the aggregate economic value of goods and services produced. When first introduced in the early 1970s, many western analysts viewed the GNH concept as a wispy, idealistic aspiration, akin to the “Age of Aquarius” peace and love movement—a counterpoint to the unpopular Vietnam War (Tuchman 1985). But as we shall document below, the idea of GNH has had remarkable staying power.

Importantly, this commentary is not about holding up Bhutan as a poster child for a nation that has been fully able to embrace and integrate the concept of GNH. In fact, when Tshering Tobgay was elected prime minister of Bhutan in 2013 he stated that the GNH concept in Bhutan was somewhat overused and masked problems of corruption and low standards of living (BBC 2013). While Bhutan may have been the first formulator of GNH, its own record of societal development is mixed. Political freedom is growing there but religious freedom is restricted beyond Buddhism and Hinduism (Freedom House 2015). At the same time, (using per capita Purchasing Power Parity), Bhutan is a world leader when it comes to educational expenditures for its citizens (Economist
That noted, this commentary is not about Bhutan’s political environment but about the helpfulness of GNH in general.

For purposes of this paper, and consistent with published definitions (see below), we build on the original Bhutanese conception (Centre for Bhutan Studies 2017) and define GNH as “a philosophical approach to community development consisting mostly of subjective measures of community happiness based on multiple and broader conceptions of collective well-being other than economic GDP.” This definition emphasizes overtly that GNH is a counterpoint to economics-focused GDP since GNH looks to measure “the spiritual and cultural growth of citizens” (Investopedia 2018); it underscores the “psychological and physiological aspects of a country’s happiness” that can only be fully captured with “a composite of qualitative and quantitative research” (Business Dictionary 2018). Several additional nuances and implications of this fused definition of GNH will be explored below.

Over the decades, GNH as a social ideal has shown not only resiliency but has grown in popularity. For example, local governments in British Columbia (Canada) use it to partly measure the success of their programs (Chatterjee 2011) and Thailand includes its evaluation as part of public policy (National News Bureau of Thailand 2016). GNH is increasingly used to compare cities, states, retirement areas and even individual happiness (Stone 2017). The popular press regularly runs articles about extracting happiness from health, travel or culinary experiences (Veenhoven 2008).

Much of the GNH popularity is also vitalized by the dissatisfaction of some social scientists and policy experts about using only economic measures of country development such as GDP (Easterlin 1974; McElwee 2014). Specifically, Gross Domestic Product does not account for the type of economic growth that is being added to the economy or for the equitable distribution of economic rewards. Since its creation, economists using the GDP concept have emphasized that GDP is a measure of economic activity, not economic or social well-being. Back as far as 1934, Simon Kuznets, the chief architect of the United States national accounting (GNP) system (and GDP), cautioned against equating GNP growth with economic or social well-being (Kuznets, Epstein and Jenks 1941). Today for example, GDP increases when more citizens are incarcerated in newly built prisons, when more funds are allocated to deal with illicit drug or obesity epidemics, when armaments are produced for export or to protect citizens from growing domestic violence and
terrorism. Furthermore, GDP says nothing about how the benefits of economic growth are distributed among the population.

Hence one might also ask: Do levels of purely economic outputs reflect a vigorous, healthful society? While economic expenditures may help stimulate the economy, most persons would agree that any sort of economic growth is probably not reflective of healthy societal development (Álvarez 2016; Douthwaite 1992). Thus, Gross National Happiness was conceived as a broader measure of how an economy might alternatively be judged via guiding values and with nurturing effects upon the population. In July of 2011, with Resolution 65/309, the UN General Assembly placed the notion of “happiness” on its global development agenda (Ryback 2012), a distinct indicator that the GNH concept is being taken seriously. In 2012, the UN published its first annual “World Happiness Report” (Economist 2017). Since 2013, the United Nations has celebrated the International Day of Happiness every March 20th. In March 2017, the fifth World Happiness Report was published by the Sustainable Development Solutions Network indicating that “increasingly, happiness is considered to be the proper measure of social progress and the goal of public policy” (Helliwell, Layard, and Sachs 2017). One Bhutanese official advocated applying GNH to all commercial endeavors since the ultimate role of business organizations is to nurture happiness and mutual societal progress; profit is merely their reward for doing so (Wangchuck 2016).

Having briefly established the general concept of GNH, the main purpose of this paper is to further connect the idea of Gross National Happiness to the domain of Macromarketing. Again, the rationale of this paper is not to debate whether GNH has been properly implemented in its country of origin (Bhutan), but rather to examine whether GNH holds insight for macromarketers as a variable for assessing the dynamics between market outcomes and society. In particular, the linkages of GNH to macromarketing’s normative realm (i.e., Quality of Life, ethical business philosophy and ‘the common good’ in market systems/sectors) as well as the concepts of ‘effective’ markets and ‘purposeful’ business are explored. In addition, several implications for future macromarketing research are briefly sketched out. Because changes in societal happiness are a likely outcome of market and marketing actions, it is essential for macromarketers to more systematically explore the association between market activities and GNH. As other academic disciplines, such as social welfare economics and psychology, increasingly investigate the feasibility of GNH as a useful policy and political approach (DiTulla and MacCulloch 2008; Ura 2005), exploring
these connections will better help macromarketers engage with other fields (and their unique literatures) and enrich its own research. We begin our discussion by exploring the linkage of GNH with key areas of macromarketing thinking and theory, including Quality of Life (QoL) research.

GNH Macro Connection #1: Ethics and Justice

Ethical considerations have a long tradition in macromarketing because making an assessment about the outcomes of markets and marketing activities upon society is a core part of the macromarketing domain (Laczniak and Murphy 2006). Those familiar with moral philosophy will immediately realize that GNH, embracing “happiness” as its central concept, has linkages to a deep and rich tradition of applied ethics. This connection specifically is reflected in the prominent moral philosophy of utilitarianism, where “happiness”—often characterized as “well-being” or “social welfare”—plays a vital role (Shaw 1999).

A main idea of the utilitarian tradition is that choices being considered in the present must be evaluated in terms of the future consequences they will have on the collective happiness of individuals. Bentham (1789), who conceived of happiness as maximizing aggregate pleasure, famously promoted “the greatest good for the greatest number.” Mill (1863) substantially refined the utilitarian approach making clear that the sort of happiness to be maximized was not individual hedonistic pleasure but rather the elevated “good” of individuals in the context of a healthy society. Sidgwick (1874) added nuance to the ethical obligations of utilitarianism indicating that it might be helpfully applied to existing social problems. In this context, Sidgwick suggested that maximizing utility has to do with selecting policies where the welfare of all individuals (typically in a distinct community or society) will be most enhanced. Again, classical utilitarian thinking is not mainly about individual self-interest, since in the standard utilitarian model, no one person is perceived to be more important than another. It is imperative to note that such classical utilitarianism, which focuses on how “the good” adds to happiness of all, is different from the financial utilitarianism used by many corporations, which perceives profit as the ultimate reward (i.e., happiness) and considers mainly the financial benefits of one set of parties—owner/shareholders (Economist 2009).
The ability to connect classical utilitarian thinking to Gross National Happiness is important for several reasons, each of which adds to the theoretical salience of the GNH concept. First, like utilitarianism, GNH is a *normative* concept. Classical utilitarianism presses a moral case for promoting the maximization of aggregate welfare of *all* persons. GNH similarly asserts that the well-being of society, including but not limited to its economic activities, is far more critical than only the financial price of products and services being produced (i.e., GDP). Second, like utilitarianism, GNH makes a case that there are *societal* values that contribute to the common happiness of each individual; for example, it can be argued that it is in the common interest of all to have a clean environment, a good healthcare system, an excellent education structure, protection from physical and natural threats as well as working institutions that guarantee individual rights. None of these considerations are necessarily reflected in the economic measures of Gross Domestic Product. (More will be said about the factors that *might* constitute GNH in the sections below). Third, like utilitarianism, GNH is forward looking in that, by focusing on happiness outcomes, the GNH approach implies that choices made in the present will have future consequences for the well-being of many. Thus, what is important about GNH as a construct is that it begins to flesh out the tricky terrain of what constitutes the *common good*. Put differently, if Macromarketing is supposed to explore the relationship of markets/marketing upon society, some measurable standard of societal “good” or the common good as a desired outcome of economic activities is required. GNH is one such measure and, potentially, an insightful one. Its linkage to utilitarianism makes clear that the many costs and benefits of complex social environments will need to be evaluated in order to reason to what makes up the common good and authentic human happiness.

**GNH Macro Connection #2: The Common Good**

The above discussion begs the question of ‘what constitutes the common good?’ It is certainly true that different persons (and diverse cultures) view what should comprise the social “good” quite dissimilarly. From the standpoint of communitarian ethics, and no doubt inspired by Aristotle, *Etzioni* (1993; 2004) and others portray the common good as the totality of social conditions that allow people living in community to fully develop their potential. As noted above, with respect to “happiness” as a higher (not hedonistic) pleasure, many dimensions of the common good involve the beneficial social conditions that should be available to *all* persons. One set of
authors, channeling the superb multi-cultural thinking of Amartya Sen (2009), elaborated upon the common good as follows:

“The core idea is that common goods involve all those capabilities that enable human beings to fully participate in their individual and communal development. Thus, in addition to basic freedoms—life, liberty and the pursuit of happiness, critical essentials from a USA perspective—certain other collective capabilities are also necessary. Safety is a most obvious capability as citizens need to be protected from unfair interferences from others. Such protections would involve institutional controls that would mitigate the damages that might stem from violence, environmental catastrophes or arbitrary detention by the more powerful. The protection of personal property from unfair seizures is yet another enshrined safety right. However, consistent with the United Nations Declaration of Universal Rights (1948), other important capabilities also quite likely include access to affordable education, basic healthcare and job opportunity. To be sure, persons cannot pursue their dreams without at least a modicum of education; individuals cannot earn a living if they are sick and have no ability to seek medical attention; most people cannot flourish without access to gainful employment even when they are willing and able to work (Laczniak and Murphy 2014, 80).”

Thus, the common good principle flows from the view that persons most typically live in communities and therefore, conditions and institutions that shape their fundamental happiness should also contribute to the commonweal (Laczniak, Klein and Murphy 2014). At minimum, GNH seems a parallel concept connected with the co-creation of the common good. Wangchuck (2016, p.2) puts it thusly: “[H]appiness can only prosper if...the society as a whole strives to create the right social conditions; and if, happiness skills such as mindfulness, altruism, compassion and contentment are highly valued...” Such human happiness, reflected in the common good, appears to be a universal concept that applies to all cultures.

GNH Macro Connection #3: Quality of Life (QoL)

To those familiar with the history of macromarketing thought, Quality of Life (QoL) is probably the variable that overlaps most with GNH. Many macromarketers who hear the term Gross National Happiness might reflexively conclude that it must be a synonym for Quality of Life. And they may be on the right track. QoL, like GNH, is a compound, complex variable that has been measured in different ways by different researchers; it often includes both objective and subjective dimensions
Mittlestaedt, Kilbourne, Mittlestaedt 2006). For example, Costanza et al. (2007) provide an integrative definition of Quality of Life (QoL) that considers both objective and subjective indicators: “QOL is the extent to which objective human needs are fulfilled in relation to personal or group perceptions of subjective well-being” (p. 269). Human needs are basic requirements for subsistence, reproduction, security, etc. while subjective well-being is concerned about happiness, life satisfaction, utility, or welfare. Adding to the confusion, at times, subjective well-being (SWB) as well as QoL both get directly equated with happiness (see Sirgy 2002, pp. xii-xiii).

To be unambiguous, QoL has been a staple of macromarketing research from its beginnings, and it has been most often used as a surrogate variable to assess macro market outcomes (cf. Peterson and Malhotra 1997). The majority of macromarketing scholars, because of their ‘market results’ orientations and extensive experience with QoL research, would understandably argue that Gross National Happiness is best positioned as a subset of QoL studies. Peterson (2013, p.179) recognizes this duality in QoL by discussing (a) its economic and political dimensions, which tend to be captured by quantitative social indicators (e.g., economic outputs, crime rates) but also, (b) its subjective well-being (SWB). In this case, the subjective aspects of the QoL are relevant because individuals intuitively assess assorted, and harder to measure, dimensions of well-being (e.g., cultural richness, educational options) they perceive to be important to their life satisfaction. The collective of these assorted subjective dimensions could well be impactful on their Gross National Happiness (GNH).

But clearly there also appear to be substantive differences between GNH and QoL. Veenhoven (2001) argues that “Quality of life” and “Happiness” are not the same. In fact, Veenhoven (2000, 2014) holds that happiness is the most comprehensive measure of quality of life available. Implicitly, and consistent with the discussion of philosophical utilitarianism above, Veenhoven could be interpreted as making the opposite case from many macromarketers, who would probably opine that QoL subsumes GNH. This point made, there is obviously some on-going confusion and debate about the difference between “Gross National Happiness” and “Quality of Life.” For instance, a NPR podcast on June 9, 2010 with Lisa Napoli (2010) was titled, “Gross National Happiness Measures Quality of Life”. So, one is left with the reasonable question: Is GNH or QoL the larger, more encompassing concept?
If one considers the assorted components of GNH, one can see that they are quite comprehensive. According to the Centre for Bhutan Studies (2017), GNH is made up of four pillars and nine domains. The four pillars (i.e., ideals) are:

1. Good Governance
2. Sustainable Socio-Economic Development
3. Preservation and Promotion of Culture
4. Environmental Conservation

Its nine domains—essentially areas that vitalize a GNH approach—involve: living standards, education, health, environment, community vitality, time-use, psychological well-being, good governance and cultural resilience. Leaving aside the contradiction that good governance appears on both lists (perhaps good governance breeds more good governance?), this GNH perspective seems to attach relatively subjective “pillars” with the more objective (i.e., measurable) gauges of happiness included in the “domains” listing. An examination of the GNH Index (Ura et al. 2012), postulated to help measure GNH, in fact reveals that the domains of GNH are measured via a catalog of items similar to quantitative QoL indices. This suggests that, akin to Peterson’s (2013) articulated duality regarding QoL, establishing subjective GNH can be informed by objective measures (e.g. high living standards and affordable healthcare) that also likely contribute to subjective aggregate happiness.

In addition, assorted QoL derivations also involve variables with a range of challenges if they are to be objectively quantified. The Quality of Life Scale (QoLS) originally developed by psychologist John Flanagan and then tested, validated and modified by Burckhardt and Anderson (2003) measures five conceptual domains of Quality of Life (below).

A. Material and physical well-being
B. Relationships with other people
C. Social, community and civic activities
D. Personal development and fulfillment
E. Recreation
Note that the likely operationalization of items B and D is quite subjective because “personal relationships” and “personal development” are highly idiosyncratic and relative.

Sirgy (2011), a long-time macromarketing scholar and QoL expert, describes six major theoretical concepts underlying most QoL indicators. These concepts, similar but not the same as Burckhardt and Anderson’s (2003), are: (a) socio-economic development, (b) personal utility, (c) just society, (d) human development, (e) sustainability, and (f) functioning.

In providing these lists of complex elements, which may or may not be subsumed by QoL and/or GNH definitions, we recognize that we might have added rather than reduced the confusion surrounding the parameters of these two concepts (GNH and QoL) of social well-being. But our main intention is not to wade into the knotty problem of properly constructing and measuring comprehensive social outcomes indices. Instead, the limited conclusions that seem apparent from our brief discussion of measurement are (a) that QoL, like GNH, is hardly a unique macromarketing or even a mostly economic variable but one that has had many different research manifestations and, (b) both these concepts (QoL and GNH) sometimes have subjective and objective dimensions.

QoL investigations, without doubt, have been a mainstay of social science investigations for many decades (Sirgy et al. 2006). Macromarketers understandably became interested in QoL in order to explore how assorted marketing systems for product/service acquisition, consumption and distribution might positively/negatively influence customers’ life satisfaction (Lee et al. 2002). A basic macromarketing precept is that well-functioning, often market driven, provisioning systems can be extremely important to a nation’s well-being (Shultz 2015). However, macromarketing investigations also soon established that QoL, even in a marketing context, had complex (and sometimes unexpected) social facets that extended far outside of economic well-being. Even factors such as non-consumption, delayed gratification, ‘small is better’ milieus and the rationed use of resources also can contribute to the QoL (Kilbourne, McDonagh and Prothero 1997). Shultz (2016) makes a case that community well-being cannot be easily separated from the notion of healthy market system development and that they must be addressed in tandem, even as they remain distinct concepts.
It is regarding this last point—i.e., the nature of economic development outcomes—where the QoL/GNH overlap can be seen as most pronounced. As GNH has evolved in Bhutan, its expression has increasingly included specifications that reflect diverse dimensions of QoL, but always in a community (of Bhutan) context—i.e., a healthy environment, gainful employment and cultural preservation, among other factors. This societal orientation is consistent with the observations of macromarketers Dixon and Polyakov (1997, p. 52) who wrote: “The quality of one’s life depends not only on one’s material well-being but also on that of others” (quoted in Layton and Grossbart 2006).

That said, there also seems a notable difference in the motivation behind QoL and GNH. In the case of QoL, it is typically used as a comparative measure of how different social programs and factors, especially markets, impact the satisfaction outcomes of nations, communities and individuals (Peterson 2006). Put another way, QoL is often utilized by macromarketers as a dependent variable—an outcome to be examined that flows from a particular set of market-related activities.

In the case of GNH, the major driver of GNH orientation is more idealistic and aspirational, at least in the sense that GNH is seen as an alternative model to a growth-driven economic ideology. In other words, GNH is less perceived as a dependent variable (although it is used as one in many studies!) than as an aspirational ideal that may be motivating market system purposes rather than being a residual product of it. To this last point, market system and enterprise purpose, we now briefly turn our attention.

**GNH Macro Connection #4: The Purpose of Business and Markets**

For the Bhutanese, the intended purpose of GNH is to redirect the usual purpose of business away from merely increased economic growth. Instead, economic well-being remains in the outcome mix but only as part of other social, political, security and ecological dimensions. True happiness, in the Buddhist tradition, arises “from a balanced pursuit and fulfillment of the dual needs of body and soul” and it has “little to do with the ephemeral, sensory pleasures caused by external stimuli or occurrences” (Wangchuck 2016, p.2). Tshering Tobgay, the current Prime Minister of Bhutan, puts it this way: “GNH promotes society’s happiness through a balanced, sustainable inclusive and equitable development model” (Economist 2017). Thus, the purpose of business, according to GNH thinking, is to nurture societal happiness. GNH, broadly understood, involves economic development that is socially and ecologically sustainable while also preserving and promoting (Bhutanese) cultural values. With the GNH approach, a macro purpose of markets can be seen as
focused on providing for the common good (see point #2 above). The common good in turn, as we are reminded in our above discussion of Sen’s capabilities (2009), is conceived as creating a setting where each individual can find their own happiness (Safi 2013) but in a shared community spirit and as part of a cooperative endeavor.

As noted above, a major inspiration for GNH as connected to the common good comes from Buddhist spirituality. However, other traditions of religious values make a similar case. Catholic Social Tradition (CST), because of its widely applicable ethical principles to business situations, has had a prominent place in macromarketing analysis (Dann and Dann 2016; Klein and Laczniak 2009; Laczniak and Santos 2011). Here is one key passage, drawing directly from CST writing, which links the aggregate purpose of business activities with the common good along with a broader, more macro perspective of markets (quoted in: Laczniak et al. 2014, p. 110):

“Economic activity cannot solve all social problems through the simple application of commercial logic. This needs to be directed towards the pursuit of the common good, for which the political community in particular must take responsibility. [CST]...has always held that economic action is not to be regarded as something opposed to society. [Because] In and of itself, the market is not and must not become, a place where the strong subdue the weak” (Caritas in Veritate 2009, at 36).

This passage from Caritas in Veritate suggests that human outcomes and community perceptions should supersede the economic results implied by GDP measures. In direct contrast to this view, a skeptical corporate rebuttal of this position might opine that the purpose of business is not to optimize the common good but rather to maximize stockholder value (Friedman 1962). Certainly, shareholder primacy is a central part of extant business ideology, especially in the USA (Bagha and Laczniak 2015). But skepticism about measuring the economy based solely upon the value of products and services has a long tradition in business history. Galbraith (1958), in his book The Affluent Society, worried about how too much aggregate consumption could erode the status and abundance of social goods like public parks and community services. And early institutional economists like John Maurice Clark (1916) advocated that the micro exchanges in markets required the balance of a macro economics of responsibility (Haase 2017).

Today, the negative externalities of free markets, economic globalism, and profit maximization are again being challenged (Stiglitz 2010) with many experts seeking a more a “third way” that softens
the negative, often grossly unequal, effects of capitalism (Piketty 2014; Schweickart 2011). Advocates of GNH thinking assert it (GNH) represents a “middle way”; these guardians of the Gross National Happiness approach pointedly ask if well-being and the common good are not the true purposes of business, then perhaps the current drivers of business activity are running counter to the common good and collective human flourishing. For example, the existing economic system may not be working quite as intended when the wealth of the 62 richest individuals in the world is equal to the total wealth of the bottom 3.5 billion persons—half of humanity (Oxfam 2016).

GHN Macro Connection #5: United Nations Sustainable Development Goals

In September of 2015, by a resolution of the United Nations General Assembly, the UN adopted 17 “Global Goals” for more sustainable economic development as part of its “Transforming our world agenda for 2030” (United Nations 2015). The topical themes of these sustainable development goals (SDGs) included aspirations such as “End Poverty” (SDG #1), “Decent Work and Economic Growth” (SDG #8), “Responsible Consumption and Production” (SDG #12) and “Climate Protection Action” (SDG #13). Each goal included a breakdown of specific steps that comprised its attainment, with the 17 global goals composed of 169 target objectives. For example, Goal #12, dealing with responsible production/consumption, was made up of eight sub-steps including asking companies to file annual sustainability reports and to conduct efficiency studies of their natural resource usage. Not surprisingly, the business community criticism of this approach was fierce. The UN SDGs were challenged as too bureaucratic, too rigid and even labeled by some as the “stupid development goals” (Economist 2015).

However, given the visibility and international publicity of the SDGs, the linkage of this massive UN initiative to GNH as well as QoL should be evident. To the extent substantial progress is made on some of the goals, GNH and QoL in affected nations ought to improve. For instance, if hunger is ended (SDG #2) and clean water and enhanced sanitation (SDG #6) become universal, QoL is increased. If we find gender inequality (SDG #5) is defunct and “quality education” (SDG #4) is made affordable for all, then GNH also should be elevated. This line of reasoning implies that the many discussions about the UN SDGs will include considerations related to all manner of economic and societal outcomes, including GNH and QoL.
Of course, the UN SDGs, worthy aspirations to be sure, do not resolve the question of whether QoL is part of GNH or vice versa. The commonality is that both seem to be dynamic measures of well-being. One distinction might be to think about QoL as predominantly *objective* (i.e., statistically measurable) outcomes of economic and social development while GNH is the collective, *subjective* perception of how people judge the social conditions that affect them. In other words, GNH (in the aggregate) is a measure of the individual happiness self-perceptions of the many. *Sirgy’s (2002, p.10)* observations may be helpful to GNH comprehension. He defines such *subjective* well-being (SWB) as:

> “an enduring (long-term) affective state that is made of a composite of three components: (a) actual experience of happiness of cumulative positive affect (joy, affection, pride etc.) in salient life domains, (b) actual experience of depression or cumulative negative affect (sadness, anger, shame, anxiety, etc.) in salient life domains, and (c) evaluations of one’s overall life or evaluations of salient life domains.”

The GNH perspective seems to take this line of thinking about SWB but expands it to an entire community or society.

**A Synthesis of the GNH Approach**

To briefly summarize the five macro connections with GNH discussed above, we synthesize them into a couple of essential observations. **First**, GNH is a normative, aspirational perspective about societal well-being that relies upon complex, and often subjective, assessments of collective happiness. GNH is philosophically grounded in *classical utilitarianism* (i.e., greatest happiness for greatest number) as it strives to inspire positive societal outcomes that can meet many of the tests of ethics and justice put forward in the macromarketing literature (*Laczniak and Murphy 2006*). It has very close similarities to the social science variable of the QoL but its motivation is rooted in universal ethical *ideals* that will allow happiness to flourish in communities and societies as opposed to simply serving as an indicator of economic or social outcomes (*Harbron 2000*). In this regard, GNH is a more *subjective* indicator of community well-being, while QoL seems more suited to capturing *objective* dimensions of societal and economic outcomes (e.g., per capita disposable income; average life expectancy; morbidity statistics, innovation rates, etc).
Second, the GNH concept can be argued as being one practical answer to the question of what constitutes the elusive “common good”. As outlined, GNH can be seen as compatible with many of the dimensions of the UN Sustainable Development Goals (SDGs) for 2030, which have been formulated with the specific intention of providing guidance to corporations, governments and NGOs regarding what responsible economic development should look like. In this manner, GNH also can be embraced as a possible answer to the question “what should be the purpose of business?” For example, the Centre for Bhutan Studies has recently undertaken a major tutorial effort to teach individual businesses how they might incorporate elements of the GNH philosophy into their commercial operations (Economist 2017). GNH can be viewed as a middle way, which eschews the maximization of economic output as the primary measure for success, while embracing aggregate personal happiness rather than unfettered capitalism, or alternatively, a hard-form socialist standard of collectivist resource ownership with top-down control.

The Benefit of GNH to Theoretical Macromarketing Analysis

This commentary should not be understood to argue that GNH is superior to QoL as a fundamental measure of macro market outcomes. QoL, given its excellent measurement history of social variables, is likely the more productive research path for marketing scholars (Peterson 2013). However, one upshot of these remarks is that collective subjective judgments about community happiness (GNH) may provide a helpful secondary measure as well as an option to GDP when researching societal shortcomings in Meta or Meso exchange systems. While there can be debates as to whether (objective) data-inspired conclusions such as 1) “the unemployment rate is too high” or 2) “the minimum wage is too low” are useful indicators of community health, if subjective GNH is continuously falling for periods of time, there is little question that something is terribly wrong. In such cases, rectifying action ought to be taken. If communities are unhappy, assuming that there are political, institutional and local-action avenues for social change, attempts to undertake corrective action will typically follow.

Exactly how the GNH is best integrated into macromarketing discussions, especially QoL research, is a matter that multiple scholars should weigh in on. But for purposes of illustration we offer two possible examples—areas where the intersection of GNH and macromarketing thought may yield novel and salient insights.
MAS Theory

In one of the most ambitious macromarketing articles in recent years, Layton (2015) offers an integrated theoretical framework that recognizes the casual factors underlying the formation, growth and adaptations in systems of marketing exchange. Layton’s analysis is macro systems ‘thinking’ at the highest level and at its most abstract. The complex MAS framework identifies social mechanisms (M) that shape markets, strategic actions (A) that characterize the competition and cooperation among market participants and the possible elements of systems (S) (i.e. structure and function) that might emerge when humans transact. This seminal article deserves review by all macromarketing researchers, as each dimension of the MAS is reflective of multiple factors that affect the health and development of markets and market systems.

Layton makes clear (p. 311) that over time in most market settings, tensions will occur among extant market actors, especially in complex systems. He writes (p.312), “The efficiency and effectiveness achieved by market systems will depend on each element working closely with each other in a coordinated fashion...It is the need for multi-level coordination that creates many of the problems of diagnosis and design that have perplexed planners and policy makers in the past...” In this context, Layton specifically mentions ‘market failures’, “questions of sustainability, usage of common resources and issues surrounding social justice” (p.312).

One obvious warning signal concerning the healthful state of macro market systems might be GNH levels. As discussed above in the macro-connections sections, GNH is one indicator regarding whether particular market systems are delivering the common good, ethical fairness and the sustainability that are increasingly seen as important to healthy market and community development. In his model, Layton would likely position GNH as a “signaling factor” in the natural co-evolution of market structures (p.308), but future macromarketing studies need to be designed that shed light on how useful the GNH construct might be as an early warning of market stress or market failures—outcomes that effective systems wish to avoid. Correlations among various measures of market efficiency and effectiveness—including GDP, QoL and GNH—also should be carefully tracked.
The Long Macro View

In 2015, Robert Lusch, extending his previous thinking on such matters (Lusch 2006), postulated four observations about the behavior of *Homo sapiens* that appear fundamental to the formation and structure of market systems. One of his essential observations centers on institutions. Lusch (2015, p.322) observes, “Institutions can be thought of as shared heuristics or algorithms (i.e., norms, rules, values) that guide and often structure *Homo sapiens* about what to do in various contexts...Institutions because of their shared nature and commonalities also serve the function of coordinating human interactions, including exchange.” According to Lusch, from the perspective of “the Long Macro View”, institutional dynamics (including evolutions of government and corporations) will be an irreplaceable aspect in improving the inefficiencies and ineffectiveness of assorted macromarketing systems, including individual markets.

Thus, Lusch (2015) sees institutions as a primary mechanism that aids markets to sustain complex exchange by navigating the dynamics of turbulent environments. Institutions are vital in helping execute all of the marketing functions including assembly, storage, transportation, bulk-breaking, distribution, risk-bearing, and exchange. Moreover, depending on the market segment, institutions are needed to regulate transactions and stimulate system adjustment. Historically, economic measures such as GDP, employment, per capita household income and interest rates had been primary indicators of market system performance. In the USA, institutions such as the Federal Reserve, U.S. regulatory agencies (e.g., Securities Exchange Commission, Federal Trade Commission) and government fiscal policies are some of the institutional levers that provide these economic adjustments. In future, consistent with Lusch’s call for institutional experimentation, these macro institutions should be examined in terms of whether they help or hinder societal well-being. In this manner, broad *non-economic* measures such as GNH (as well as QoL) should play a greater role, alerting citizens to market systems problems or complications.

Relatedly, Webster and Lusch (2013), discuss the need for marketing thinking to become more “macro” and more “elevated”, foreshadowing Lusch’s (2015) ‘Long Macro View’. Here Webster and Lusch (2013) surmise that many criticisms of contemporary market performance often stem from too great a concern for short-term financial metrics and not enough on the overall value and perceived benefits that consumer-citizens desire (and require) from their market system. To
address this deficiency of macro thinking as well as outcomes that do not sufficiently reward all consumer-citizens, *Webster and Lusch (2013)* recommend “a recommitment of marketing to its fundamental purpose in society, which is improving the standard of living for all citizens by co-creating value within a socio-economic system” (p.389). At the macro level, this recommitment would surely include paying attention to GNH and QoL as broad indicators of value-delivery and systems effectiveness. It would also involve asking fundamental questions concerning market purposes and exploring the ethical outcomes of marketing actions in various market contexts, particularly about how citizen happiness and their societal well-being is affected.

**Conclusion**

For many decades, macromarketing theorists have urged our sub-discipline to take the broadest possible view of economic phenomena (*Fisk 1982*). Writing in Vol.1, No.1 of the *Journal of Macromarketing*, *Monison (1981)* opined that the most useable macromarketing perspectives would likely “confront...philosophically laden topics” (p.19), seek out “the self-contradictions in our thinking” and “conduct thought experiments” (p.21) that might include “strange loops in human intelligence” where “by moving upwards (or downwards) through the levels of some hierarchical system, we unexpectedly find ourselves right back where we started” (p.21). GNH, as a general concept certainly has these characteristics. Its inherent concern with aggregate human happiness stakes out a discrete philosophical position—i.e., happiness is a key measure of the societal good. Second, GNH challenges the conventional wisdom that economic growth (GDP) is the best surrogate for the systemic health of macro segments. Third, the notion of *maximized happiness* seems to constitute a “strange loop” because it can serve as gauge for well-being at the micro, meso and macro levels of an economy. Wherever we look, we seem to find more and more applications of GNH. Perhaps, as some excellent scholars might opine, GNH is merely a popularized surrogate for QoL. As argued above however, our position is that GNH is a unique macro variable, connected with, but not the same as QoL. Therefore, it deserves its own place in macromarketing analysis. Given the ascendancy of GNH discussions, aided by a renewed international focus of the UN’s Sustainable Development Goals for 2030, macromarketing researchers would be wise to explore the GNH concept in its fullness, particularly as deep thinkers urgently search for more humane measures of capitalism’s uneven outcomes.
Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author(s) received no financial support for the research, authorship, and/or publication of this article.

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