

# Sunomics: Buddhist Capitalism with the Spirit of GNH

*The Druk Thuendrel Tshogpa*

## Introduction

While many things are important for a nation, we must prioritise the one thing that is the most important. In doing so, everything falls into place and everyone sees the result. For Bhutan, the Royal address of the 114th National Day prioritised economic progress and national prosperity. This clarity of the Royal vision gave birth to a new political party – Druk Thuendrel Tshogpa (DTT) and this manifesto of “Sunomics: Buddhist Capitalism with the Spirit of GNH”.

“Sun” is the party’s logo. A stable source of life, the element that shines for all but itself, symbolises Thuendrel’s belief in putting the needs of the country and its people’s before its own.

“-nomics”, a suffix of sort for “eco”, is Thuendrel’s unique manifesto that defines the economic philosophy for the nation.

Together, Sunomics shall herald the dawn of a new economic era for Bhutan, in realisation of His Majesty the King’s Royal vision as shared during the 114th National Day address, underpinning economic progress for Bhutan.

Therefore, “Sunomics” is the cornerstone of this manifesto, DTT’s economic philosophy and blueprint, towards realising people-centred progress and prosperity. It is based on the four elements of nature (*jungwa zhi*) and the five economic senses (*paljore wangpo nga*) representing not only the economic factors of production but also the entire means of governance and ecosystem for a prosperous economy.

For decades, we did not have this clarity of an economic philosophy. We have always been donor-dependent. We had an ecosystem that was mired in red-tapism. Hence, the Royal Command for transformation. Then

came the pandemic that sent serial shocks to our economy. In the short term, all these created a perfect storm leading to resignations and exodus to Australia. However, in the long term, the transformation and visionary mega projects shall herald a future economy of opulence for the Bhutanese population.

Prepared within the context of this major transformation exercise, this manifesto shall seek to address such questions as: How would any government of the day implement the transformation? How would it prepare the nation for participation in the huge opportunities of the mega project? How would we inculcate the sense of sacrifice and *ngar* (resilience) in our public servants?

The basis for good governance in Bhutan is predicated on not only the timeless social contract of 1907 with the institution of the Monarchy but also on our belief in the divine rights of our Monarchs that is still the source of hope, aspirations, and deep reverence for the Bhutanese. Absence of this is the chaos and the basic state of nature that once existed before 1907. Therefore, the overarching visionary guidance from our Kings shall form the meta-governance for our nation. The fundamental tenet of our governance shall be the unquestionable loyalty to the Golden Throne. Hence our vision, mission, and the value systems.

- Our vision, as a value-based Party, is national prosperity.
- Our mission is to manifest our service to the Tsa-Wa-Sum in *lue-nga-yi sum* (body, speech and mind) with relentless focus on efficient public service delivery through tenacity, discipline, and *ngar*.
- Our values are trust and integrity that binds every Bhutanese; humility in our approach; and loyalty to the Golden Throne. Such value systems shall enable us to transcend all difficulties and challenges in pursuit of our true and clear purpose.
- Our commitment, as the Thuendrel Paljor Pazzaps (Economic Warriors), is to bear sacrifices guided by the age-old motto: “To plough the community field, we have to be ready to break our own ploughshares”.
- Our meaning for Thuendrel is harmony and interconnectedness, premised on the urgent need to inject harmony in the political discourse at every level to nurture a vibrant democracy in Bhutan.

- Our approach is མི་མེད་བསྐྱུན་གྲོས་ (consultations with people) to empower the grassroots through our *chiwog-dangpa*, མི་མེད་བསྐྱུན་གྲོས་ , while ensuring good governance through *zhungchong thuendrel*.
- Our priority is based on our firm belief in hierarchy of values at every level classified under *raab* (at best), *dring* (up to par) and *tha* (at least), thus allowing us to focus on things that matter and assure that “promises made are promises kept”.
- Our performance will be assessed not only by you, our voters, but also by our Parliamentary Coordination Committee (PCC) through a granular-based Annual Parliamentary Performance Management System.
- Our humility is to admit that sometimes we do not even know the problems let alone the solutions. We shall listen, reflect, and then act with relentless focus on efficiency, nimbleness, and determination.
- Our purpose is Nation First, by making personal and collective sacrifices (*ngar*) in the pursuit of a progressive modern economy anchored in the timeless philosophy of GNH, under the visionary guidance of our Kings.

We believe these to be fundamental in achieving our goal to be a rich and a glorious nation.

### **Sunomics: The Philosophy**

Druk Thuendrel Tshogpa’s economic philosophy is the Sunomics, which is predicated on “Buddhist Capitalism with the spirit of GNH”. This is the solution to our perennial economic woes, one that had to do with lack of a clear, simple, and practical economic philosophy.

Debate on laissez-faire capitalism and State-controlled capitalism will continue. However, we now need to decide which side of the spectrum we subscribe to. Much of the current confusion that results in administrative burden and the unfriendly regulatory environment stems from lack of clarity on this issue.

Sunomics: Buddhist Capitalism with the Spirit of GNH, shall be DTT’s economic philosophy that will guide our plans, policies, and regulations.

Nature is the living example of dependent arising as taught by the Buddha. If we have the greatest respect towards nature's intelligent ways to coexist and sustain life on the surface of the earth through interdependence and coexistence, we will realise that GNH is not an antidote to wealth creation but rather that wealth creation is a means to achieving GNH.

The concept of *phuntshok deyzhi* or the four stages of life, in fact, requires that one focuses on generating material wealth between the age of 21-50 years, where we are at the peak of our mental and physical strength. Such time-tested wisdom based on universal values and Buddhist ethos shall serve as the guiding inspiration for our economic philosophy.

With this clarity in our economic philosophy, we shall define our economic factors and elements of production and the governance system that shall facilitate this environment of economic production.

Sunomics is based on the four elements of nature (*jungwa zhi*) and the five economic senses (*paljor wangpo nga*) representing not only the economic factors of production but also the entire means of governance and ecosystem for a prosperous economy.

*Jungwa zhi* is represented by the four factors of production – earth, water, fire, and air – which are traditionally clubbed as land with deposits and potentials worth billions of Ngultrums. We require this segregation given the unique context of our nation.

*Paljor wangpo nga* is represented by good governance, social harmony, environment, culture, and cutting-edge technology and finance. They are the unique enablers, keys to unlocking the values so far blocked in our *jungwa zhi*, in the next five years.

## **The Constitutional Equation of GNH**

While frameworks for economic pursuit are definitely modern, inspiration and wisdom are derived from our Constitution and the spirit of GNH. For instance, (Article 5, section 3) of our Constitution on environment depicts the domain of four natural elements or *jungwa zhi* (earth, water, fire and air). (Article 2, section 6) portrays the domain of social science through the concept of *phuntshok deyzhi* (four stages of life).

**Inspiration: The Constitutional Equation of GNH**

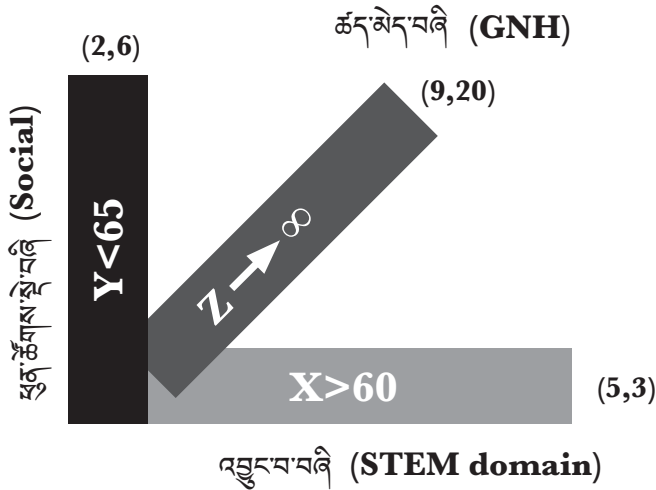


Figure 1. Constitutional Equation of GNH

An optimum intersection and interdependence of these two domains would lead to achievement of a GNH state of *tshemey zhi* (the four boundless compassion, love, equanimity, and joy) as enshrined in Article 9, section 20 of the Constitution.

Our interpretation of the Constitutional Equation of GNH will not only act as our guiding compass in formulating policies and implementing plans at the national level but also provide a stable and solid reference for a Bhutanese value system.

**Sunomics: Theories and Frameworks**

While taking Constitutional inspiration, DTT shall deploy some of the latest and the most recent economic diagnostic methods and frameworks based on data analytics to formulate economic plans and implement projects. One such theory is the “Economic Complexity Index (ECI)” at the macro level and another such model is the concept of the “Project Economy” at the implementation level. We also use the framework of the theories such as that of “Creative Destruction” and “Disruptive Innovation” at the firm and industry levels.

By integrating these theories at both macro and micro levels, we will be able to truly leverage the highly limited but extremely competent human resources in our nation. This will allow us to link and trace the micro-actions and activities with granular details to aggregated data at the macro level. In addition, the practice of adaptive leadership of *mangi gothribs* shall be used to train, discipline and motivate the Thuendrel team, all in alignment with the Royal Address of instilling dedication and *ngar* in us.

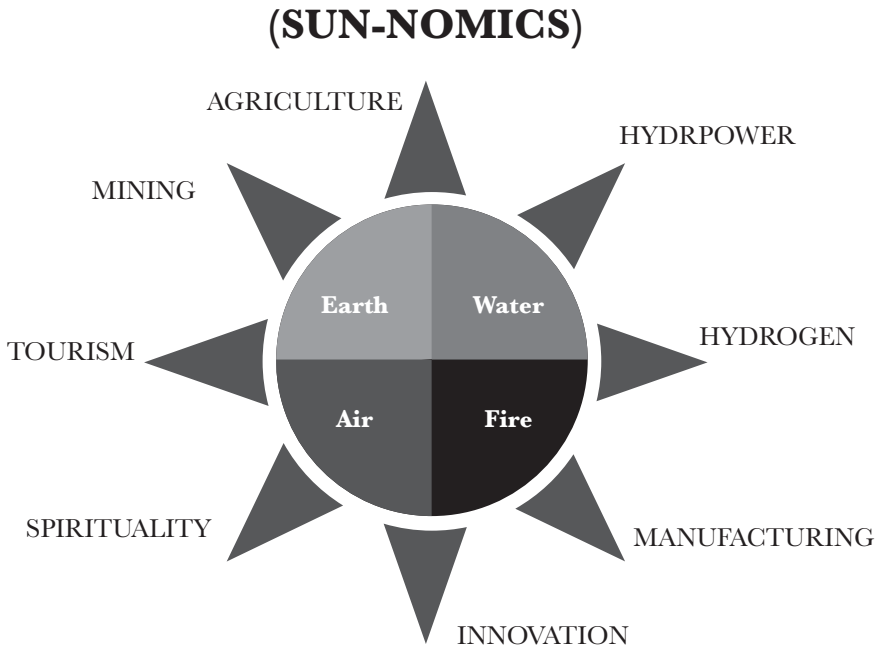
These frameworks will allow us to focus on issues that matter. For instance, our economic target contributions for the next 10 years will be USD10 billion: 80 percent (USD 8 billion) from *jungwa zhi* and 20 percent (USD 2 billion) from *paljor wangpo nga*.

### ***Jungwa Zhi: The Four Elements of Sunomics***

The “Sunomics” is the cornerstone of our manifesto and DTT’s economic blueprint, which will herald the dawn of a new economic era of progress and prosperity. It is based on the four elements of nature (*jungwa zhi*) and the five economic senses (*paljor wangpo nga*).

*Jungwa zhi* or the four elements of nature are: earth, water, fire, and air.

The earth shall provide the raw materials and the natural resources, including agriculture products and mines and minerals. The water shall spin the hydropower energy, one of the major revenue sources for the nation, and provide the electricity that will fire the furnaces of the manufacturing plants. Finally, the air in Bhutan provides the pristine physical as well as the spiritual environment that has gained Bhutan international fame.



*Figure 2. Graphical Representation of Sunomics*

1. Our earth element represents the rural sectors of agro-farming and the mining sector that is steeped in the “poverty paradox”. Our mining and natural resources sectors have been held back to save for a future generation that is in an exodus rush.
2. Our water element represents the cross-cutting sectors in rural and urban areas for drinking and irrigation as well as the major revenue earning hydropower sector. However, shortcomings in engineering and unsound resource allocation decisions have wasted millions, leading to self-fulfilling negative prophecies.
3. Our fire element represents the manufacturing sector, where furnaces churn out products with raw materials from the earth element using the hydro-generated electricity.
4. Finally, air represents, literally, our pristine atmosphere and our spirituality sector that has a major revenue potential through air travel, tourism, and GNH branding.

### ***Paljor Wangpo Nga: The Five Senses of Sunomics***

*Paljor wangpo nga* or the five senses of Sunomics is represented by good governance, social harmony, environment, culture and cutting-edge technology and finance.

1. Good governance is the ultimate silver bullet and has everything to do with meritocracy, equity, efficiency and transparency (MEET). For instance, the conversion of *lhengye dhensa* (ministers' enclave) to *zhabto dhensa* (service enclave) will break the policy and regulatory silos and greatly enhance public service delivery.
2. Social harmony focuses on not only providing free education and health services but also on increasing the person-bytes to have a productive economy instead of leading to inflation of degrees in education. In health, we explore how to provide options for those willing to pay for the services.
3. Environment is where we finally cash out on our GNH brand starting from sustainable harvesting of our natural resources and leveraging on bringing in USD1 billion worth of green financing to Bhutan in the next five years.
4. Our culture is our ultimate strength. It provides the content for our tourism sector and the structure for our basic family unit. Our philosophies and practices are a compelling mix of modern empiricism, including psychology and behavioural science and spiritual practices with meta-cognitive phenomenon akin to that of quantum physics. The potential for GDP contribution is as vast as it is with the immeasurable four states of the GNH (*tshemey zhi*).
5. Cutting-edge technology and finance shall be the final sense of Sunomics that shall consolidate the above elements through modern financial intermediaries and technology platforms. These are both the means and ends in themselves.



Sunomics was prepared in the context of the lofty Royal vision and the visionary projects such as the Gelephu Special Administrative Zone and the transformation exercise in the nation.

### **Sunomics: Targets (10x10x10)**

We shall achieve a GDP equivalent of USD10 billion in the next 10 years with an annual real growth rate of 10 percent through our economic philosophy of “Sunomics: Buddhist Capitalism with the Spirit of GNH”.

### **Sunomics: Promises to the People**

1. We shall promote all policies and enabling conditions for the economy to grow, businesses to thrive, and the private sector to play a major role in the nation’s economic transformation.
2. We shall establish an Economic Emergency Committee to clear projects which are deemed urgent for the revival of the nation’s economy pending changes in rules and regulations.
3. We shall “allow first and regulate later” by eliminating one clause of regulation every day for the first 108 days and cut down rules to the minimum.
4. We shall convert the *lhengye dhensa* to *zhabto dhensa* to break policy and regulatory silos and literally set up a one-stop shop. Our promise of “We (government) pay if we delay” shall ensure that it meets our MEET standards.
5. We shall “Take care of your health, while you take care of your wealth”. Provide free basic healthcare services at every doorstep and options for those willing to pay through private and international participation.
6. We shall ensure “Nation First, Youth Foremost” by being there through your entire life cycle of *phuentshok deyzhi*. Your journey to Australia should first start with your skills that are in demand anywhere.
7. We shall use what has been saved for the rainy day. Preserve our environment but not for a future generation that might not be there at all. Extract resources through sustainable processes and

source over USD 1 billion in green financing.

8. We shall cash out the GNH brand through an equivalent of a global IPO and establish a GNH stock index with innovative ideas at the intersection of Buddhist values and current scientific empiricism, including quantum physics.
9. We shall lead in regional offshore banking and technology driven platforms with potential capital formation and asset creations of over Nu 1 trillion by 2030. Capital is cheap, it is the idea that is scarce.

Therefore, Sunomics is a simple and clear economic philosophy that is disaggregated into practical targets and plans. It is based on sound economic theories and frameworks incorporating a unique local context. It is a wholesome approach with clearly identified factors, targets and parameters that is easy for assessment and monitoring. Above all, it is supported by a highly professional and committed team, “Thuendrel pazzaps” or the “economic warriors”.

### **Sunomics – Modern Outlook, Timeless Values**

We BELIEVE in the established Bhutanese hierarchy of values that drives attitude, mindset and behaviour. Mission Sunomics values generation of material wealth anchored in our karmic accounting methods of merits and demerits.

We BELIEVE that every Bhutanese has the wisdom, strength, and the conviction (*ngar*) to realise its full potential in pursuit of the purpose of higher national goals through the fundamental premise that “She who knows the why shall bear any how”.

The “Why” for the Thuendrel paljor pazzaps (economic warriors), is putting the nation first and implementing the Sunomics guided by sound theories and innovative approaches, ready to make individual and collective sacrifices if necessary so that the community, society and the nation succeeds.

Our commitment is to have a laser focus on revival of the economy and get back to the fundamentals of wealth generation in the Bhutanese context guided by the Constitutional Equation of GNH.

## Conclusion

Sunomics, essentially Thuendrel's manifesto, though comprehensive, is not a static document.

Just as it was drawn on numerous rounds of མི་ལོང་བསྟུན་གྲོས་ (consultations) with the people, soliciting feedback, inputs, and suggestions to lay down the plans and programmes detailed in our manifesto, we will continue, in the same spirit, to assimilate emerging needs and pressing issues that arise with time.

Druk Thuendrel Tshogpa is committed to steering the nation on its journey towards economic progress and prosperity for its people. This is the one heartfelt wish of a visionary King for his country and its people. This is the one true prayer of a monarch wise for a kingdom he nurtured with utmost care.

By breathing life into Sunomics, Thuendrel shall blaze the trail for a new economic period for Bhutan, in realisation of His Majesty the King's royal vision as shared during the 114<sup>th</sup> National Day address that underpinned economic progress.

Bearing the King, country and people in our mind at all times, Druk Thuendrel Tshogpa and its ensemble of candidates, coordinators, and supporters across the country pledge our sustained loyalty to the Tsa-Wa-Sum.