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CONTENTS

The Potential Contributions of Social Psychological Research to Increasing Gross National Happiness (GNH) in Bhutan

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Abstract

This paper briefly discusses how research in social psychology can contribute to increasing aspects of GNH in Bhutan ranging from good governance to improved health and psychological well-being to community vitality. For example, it discusses how social psychological research can contribute to effective governmental decision-making processes and how it can be used to increase the accuracy of witnesses' testimony in police procedures, to encourage the populace to adopt healthy behaviors, and to foster social cohesion. In addition, this paper argues that the use of research methods developed by social psychologists, such as quasi-experimental designs, can play a very important role in both achieving and documenting increases in GNH.

Social psychology is a broad and influential field focusing on the interrelationships between individuals and the social contexts in which they function. So, for example, the field has been defined as the "scientific study of the behavior of individuals in their social and cultural settings" (Argyle, n.d.) and the "study of social behavior, especially the reciprocal influence of the individual and the group with which the individual interacts" (Social Psychology, n.d.). Due to its focus on the interrelationships between individuals and their social contexts, social psychology is extremely well-suited to illuminate how social change, including broad societal trends such as urbanization or population growth as well as the adoption of specific government policies and practices, impacts individuals and the societies in which they live. The field is also very well-positioned to increase our understanding of how individuals' cognitive capacities, motives, attitudes and behaviors influence those close to them and the broader society in which they are embedded. Thus, in a period during which Bhutan is experiencing remarkably rapid social and political change, social psychology holds the potential to help prevent or ameliorate a wide range of social problems and to shed light on how opportunities can be pursued in a way designed to effectively maximize their benefits and to avoid unintended negative side effects.

Bhutan has recently won international recognition for its emphasis on Gross National Happiness (GNH), a vision of the goal of development offered by His Majesty the Fourth Druk Gyalpo that extends well beyond the narrower view fostered by the use of indicators including only economic development, such as gross domestic product (GDP). Given the recent success of efforts to have GNH adopted as one of the U.N.'s Millennium Development Goals, Bhutan's ability to move toward increasing GNH throughout the country is likely to become the focus of intense international scrutiny. Even more importantly, Bhutan is facing demographic and social trends that could well undermine GNH. For example, rapid population growth combined with limited arable land poses serious environmental and socioeconomic challenges and an increase in the proportion of the population that is elderly is likely to strain available health resources (Gross National Happiness Commission, 2010). Thus, the country's success

in creating and implementing policies to maintain and improve GNH has vital implications for the welfare of the Bhutanese people. Indeed, as His Majesty the Fifth Druk Gyalpo indicated when observing that one of his "foremost responsibilities" was "the fulfilling of the vision of GNH" (Wangchuk, 2006), recognizing the importance of GNH does not guarantee its attainment.

The basic argument put forward here is that social psychological research has the potential to assist Bhutan in promoting GNH through its ability to shed light on how individuals are influenced by their social environments, including government policies and practices, as well as on how individuals impact the well-being and happiness of others. One has only to examine the chapter headings in popular social psychological texts (Baron, Branscombe, Byrne & Bhardwaj, 2010; Myers, 2005), which include topics such as Identity, Helping Behavior, Aggression, and Health, to see the pertinence of this field to promoting GNH. In addition, this paper argues that the research methods associated with and developed by social psychologists also have an important role to play in promoting GNH. Of course, the potential of social psychological theory and research to help Bhutan achieve higher levels of GNH is stronger with regard to some dimensions of GNH than others. However, the goal of this paper is to illustrate the utility of social psychology for increasing GNH by briefly discussing a broad range of areas in which this discipline has the potential to make valuable contributions to promoting GNH.

Social psychology's potential to promote good governance

Good governance is one of the four basic pillars of GNH. It is a complex and multi-dimensional concept including effective government, democratic culture, trust in institutions, and low levels of corruption (Rapten, n. d.). Social psychology has much to contribute to facilitating numerous aspects of good governance. To illustrate this contention, this paper will discuss two sets of finding from social psychological research that are extremely pertinent to promoting effective governance. The first of these is a phenomenon known as *groupthink,* the tendency of decision-making groups to suppress dissent in order to maintain and build harmony within the group. The second affects a second crucial aspect of effective governance - achieving a fair judicial process. This paper focuses on a fundamental basis for obtaining that outcome – using police procedures that maximize the likelihood of getting accurate information when investigating crimes.

Especially in a country such as Bhutan in which the government controls almost half of the gross national product, wise decision-making by government bodies is vital for progress toward increased GNH. Yet, close study of governmental decision-making processes elsewhere suggests that even highly intelligent, educated, and competent individuals may fall prey to a phenomenon known as *groupthink* which can lead to disastrous governmental decisions. Awareness of groupthink first emerged in a study of U.S. policy-making by social psychologist Irving Janis (1971, 1982, 1989). Janis studied the decision-making processes that led U.S. Presidents John F. Kennedy and Lyndon B. Johnson to make decisions that led to the Bay of Pigs invasion of Cuba and the escalation of the war in Vietnam, both of which were widely acknowledged in retrospect to have been extremely unwise and to have led to much unnecessary loss of life.

Janis concluded that these and other unwise decisions were the result of groupthink, He argued that groupthink is most likely to occur in a cohesive group with a directive leader who makes his decision preferences known early on, especially when that group works in relative isolation from dissenting

points of view. Such a situation leads groups to excessive optimism about the proposed course of action and an emphasis on rationalizing the favored course of action, rather than critically examining its disadvantages. Pressures to conformity and self-censorship, including the withholding of information that would call into question the effectiveness of the planned course of action, are strong in such a group, leading to an illusion of invulnerability. Groupthink has also been implicated in poor decisions by the U.S. military and by NASA, the U.S. space agency. Janis argues that groupthink is especially likely when group members are relatively homogeneous in background, there are no clear cut rules to guide the decision-making process, and there are high levels of stress. Experimental studies in social psychology provide data very consistent with Janis's conclusions. For example, such work suggests that directive leadership does result in poorer decisions because group members refrain from challenging directive leaders, even when that would result in better decisions (Granstrom & Stiwine, 1998), that groups prefer to pay attention to information that supports an intended course of action than to information inconsistent with the planned action (Schulz-Hardt et al., 2000) and that group members suppress negative thoughts when they look to a group for acceptance, approval and social identity (Hogg & Hains,1998).

Fortunately, research on groupthink has gone beyond documenting the phenomenon to suggesting specific techniques for avoiding or minimizing it (Janis, 1982). These include recommendations that a) leaders are impartial and do not endorse any position early on in decision-making meetings, b) that well-informed and respected individuals who are genuine advocates of alternatives to the emerging decision be invited to express their views before a final decision is made or, at a minimum, that one group member be specifically appointed to argue a position contrary to any emerging consensus , c) that decision-making groups be subdivided on occasion and then reunited to see if differences of opinion have emerged, and d) that a meeting be called specifically to discuss any remaining doubts or problems about the planned course of action before a final decision on important matters is made and announced.

A very different way in which social psychological research can contribute to good governance, which includes a fair and effective judicial system, is illustrated by work that has led to many revised police procedures in the U.S. Canada, England and Wales (Myers, 2005). Social psychological research on the accuracy of eyewitness testimony, which often plays a large role in police investigations of crimes, began over 100 years ago (Munsterberg, 1907). By 1995 there were over 2000 published papers on this and very closely related topics (Wells, et al., 2000), leading the U.S. Department of Justice to draw up guidelines on the gathering and preservation of eyewitness testimony reflecting such research. The committee undertaking this task included prominent social psychologists as well as law enforcement officials (Technical Working Group on Eyewitness Evidence, 1999).

This committee's recommendations were strongly influenced by social psychological research, including work on the misinformation effect. This research demonstrates that incorrect information embedded in the questions of interrogators is commonly remembered by witnesses as what they themselves had actually seen, even when it is in fact inconsistent with what they had really seen (Loftus, 1979). Importantly, individuals are normally unaware of this influence on their recollections. Thus, when police ask questions reflecting their understanding of the situation they may inadvertently distort witnesses' memories. In addition, rather casual comments from interrogators, such as "good" after a witness makes a statement, can substantially increase witness's confidence even in mistaken testimony (Wells & Bradfield, 1998, 1999). Findings such as these have led to a new procedures called "cognitive

interviewing" for gathering information from witnesses in police investigations that has very substantially increased the amount of information gathered without increasing the amount of false information produced (Kohnken, Milne, Memon, & Bull, 1999). The basic goal underlying this approach is to elicit all that witnesses remember about an event by allowing them to provide their unprompted recollections, with their memory being jogged by having them visualize the setting in which the event they witnessed occurred. Social psychological research has also illuminated many other phenomena that influence how accurate and fair the outcomes of the judicial process are, ranging from how individuals' use statistical information relevant to a case to whether alleged perpetrators' personal characteristics, such as their attractiveness, are likely to influence decisions about their guilt or innocence.

Social psychology's potential to promote good health and psychological well-being

The report of the Eleventh Round Table Meeting for Bhutan (2011, p. 45) points out that "Good health… has a direct and immediate bearing on the happiness and well-being of society and is thus one of the key domains under GNH." It also points out that those striving to promote good health in Bhutan face the substantial challenge of dealing with an increase in lifestyle diseases as well as containment of communicable diseases in the context of a serious shortage of trained health personnel. Thus, finding ways to mitigate the threat to increased GNH posed by ill health is an urgent and serious issue.

One obvious way to meet this challenge is by increasing the availability of high quality medical care to treat those with various health problems, an approach currently being pursued in Bhutan. However, that is expensive and ultimately only one prong of a much needed multi-prong strategy, because increasing urbanization and prosperity are likely to bring an increase in lifestyle diseases that will soak up more and more of available health care resources. Indeed, now in the U.S., lifestyle diseases kill more people than communicable ones and attempting to care for people with them consumes more than one-seventh of the GDP (Bittman, 2011). Lifestyle diseases increasing plague countries in South Asia, including Bhutan (Choden, 2010), as well (India's Bane, 2011).

These facts suggest that a focus on lifestyle disease prevention is crucial to maintaining and increasing current levels of GNH. Such an effort is basically a matter of structuring the environment in a way that encourages healthy behavior and discourages unhealthy behavior on the part of individuals. An economics based approach to this challenge, making unhealthy commodities scarcer and more expensive, can clearly help. However, the unsuccessful experience in the U.S. of attempting to prohibit the consumption of alcohol in the 1920's and early 1930's and the controversy over the Tobacco Control Act here suggest that such approaches are likely to be only partially successful. A crucial complement to taxation and legal strategies designed to reduce the availability of commodities that undermine health are effective proactive efforts to persuade individuals to decide to avoid unhealthy behaviors and to pursue healthy ones. This is basically a matter of successful social influence and persuasion -two major foci of social psychological research.

Persuading people to engage in healthier behavior is a very difficult task. A few sure fire approaches have been developed and social psychological research has suggested a number of useful strategies. One good example of this is called entertainment education. Based on the work of social psychologists such as Petty and Cacioppo, Ajzen and Fishbein and others, this approach makes use of media,

such as TV and radio, to convey needed public health or educational messages (Singhal & Rogers, 1999, 2003). This approach has been used to very good effect in South Asian countries such as India and Pakistan as well as in numerous other countires in Asia, Africa, and South America.

Unlike public service announcements, this approach embeds the health message in the story line of programming designed to appeal to the target audience solely as entertainment. The story line typically involves negative role models to whom bad things happen and characters who initially engage in undesirable behaviors but who switch to more positive ones with positive results as well as consistent positive role models. The actors do not preach the intended message, which emerges from the plot line. However, at the end of each episode the lessons learned are very briefly summarized, usually by well-known and liked celebrities. In addition, the names of public facilities able to help with the issue of concern and information on how to contact them are supplied. More specifically, research suggests that such programs can have a major impact on the populace's health related information as well as on information in many other important areas related to GNH. Although the impact of such approaches is often greater on information than its impact on attitudes and actual behavior, these approaches have been shown to affect all of these outcomes. The health related targets of such programs range from AIDS prevention to family planning to violence reduction (Singhal & Rogers, 1999).

Well-structured education entertainment is not the only mechanism suggested by social psychological research to reduce the incidence of lifestyle diseases. Properly planned information campaigns, based on a social psychological understanding of the processes that lead to health problems, can also be effective. For example, a major problem in the U.S. is excessive alcohol consumption on college campuses. In the past 15 years or so a social norms approach to dealing with this problem, based on social psychological research, has been widely used with considerable success. Basically, researchers discovered that U.S. college students tend to have greatly exaggerated perceptions about the amount of alcohol other students typically consume **(**Hanson, n. d.**).** This creates a social norm supporting high levels of alcohol consumption. Consequently, many students drink more than they would otherwise to try to fit in with the perceived norm (Prentice & Miller, 1993). To counteract this phenomenon, campus authorities collect and supply accurate information about on-campus drinking, which is virtually always less than students believe. Campaigns developed to create new more restrained norms by publicizing accurate information have been quite successful in reducing excessive drinking, although they do not eliminate it entirely (Hanson, n. d.). However, these and similar public health information campaigns must make extremely careful use of social psychological knowledge about persuasion and should pretesting their messages, as public service announcements that fail to take careful advantage of such research sometimes even produce opposite results from the ones intended (Wise, Bolls, & Leshner,2011; Ringold, 2002).

In addition to suggesting how to improve health related behaviors through effective entertainment and information campaigns, social psychological research has greatly expanded our understanding of the causes of ill health and of the interrelationships between social and psychological factors and health itself. For example, numerous large studies have demonstrated that close personal relationships predict health (Ryff & Singer, 2000), with lonely people tending to experience greater stress, to sleep more poorly, and to commit suicide more often (Cacioppo et al., 2002; Cacioppo, Hawkley & Bernstson, 2003). The mechanisms linking social and psychological factors and health are still being investigated

(Cohen & Rodriguez, 1995), but the links are many. For example, research has demonstrated that the functioning of our immune system is related to psychological states such as loneliness (Pressman, et al., 2005) and that enhancing the degree of control that the elderly have over even small aspects of their lives increases not only their health and happiness but even their longevity (Rodin & Langer, 1977). Such findings suggest many additional avenues for improving health outcomes that would also increase other aspects of GNH such as strengthening positive relationships within families. Psychological well-being is not only important because it contributes to good physical health. It is one of the important dimensions of GNH in and of itself (Ura, 2008). Thus, social psychological research on the promotion of various components of psychological well-being (Perlman & Peplau, 1984; Langer, Janis & Walfer, 1975) also has the potential to contribute to GNH in many ways.

Social psychology's potential contribution to promoting community vitality

Community vitality, one of the important domains used as an indicator of GNH, includes things as diverse as helping behavior, perceived safety from crime, and level of community enmity (Chopel, n.d.). Social psychological research has the potential to contribute to increasing community vitality in all of these areas. For example, considerable research has been conducted on the factors that influence whether individuals help each other, focusing on factors as diverse as child rearing practices fostering empathy and a concomitant predisposition to help (Koestner, Franz, & Weinberger, 1990) and situational factors in the specific context in which help is needed (Dovidio, Piliavin & Schroeder, 2006). Numerous studies show that well-designed TV programs can promote prosocial behavior including helping (Hearold, 1986), although violent TV leads to increases in aggressive behavior (Anderson, et al., 2003). The information emerging from these studies on the mechanisms that impact TV's influence can be quite helpful in designing shows intended to foster increased GNH. For example, individuals are very influenced by the models of behavior that others provide, especially when the model is perceived as attractive and similar to themselves (Donnerstein, 1998).

Just as harmonious personal and community relationships contribute greatly to happiness, conflicts between individuals or groups within communities can lead to a great deal of stress and even to violence, undermining social cohesion and its contribution to GNH. Social psychological research provides many resources for promoting social cohesion and dealing effectively with enmity within communities. For example, over five decades of research on cooperation and competition have suggested specific strategies that can be used to effectively promote positive social relationships between members of school, work or social groups that are initially at odds with each other (Schofield, 2004). In addition, social psychologists have developed strategies used to resolve conflicts at the personal as well as at the group level (Deutsch, 2002). Web sites based on such research, such as Conflict Resolution Information Source, provide a large array of resources available to help either those involved in individual conflicts or those serving as third parties to help others resolve conflicts. Programs based on the principles emerging from such research are used quite widely. The fact that my own research in this area has led to advising local and state government, the U.S. Attorney General and even the White House demonstrates that such work can be of real practical value in helping to achieve government as well as individual objectives.

Increasing gnh through the use of experimental and quasi-experimental research methods

As illustrated above, the theory and substantive findings emerging from social psychological research suggest numerous approaches for increasing varied aspects of GNH. However, there is also another important way in which utilization of the results of social psychological research has the potential to increase GNH. This is through utilization of its great strides in the area of research methodology. Social psychologists have contributed importantly, as have individuals in fields such as sociology and political science, to the development of survey research methods, which are used widely in Bhutan and elsewhere to gather information for a variety of purposes related to enhancing effective governmental functioning. Technical work in this area continues to produce extremely useful information on topics such as the impact of question wording, question order, response order and the like on survey responses. However, because the value of well-constructed and implemented survey research seems recognized more broadly in Bhutan than the value of experimental and quasi-experimental research methods, I will focus my comments in this paper on how the latter can contribute to increasing GNH.

The eminent social psychologist Donald Campbell (1969) argued convincingly that we can really never know in advance the outcome of government policies or programs, as it is quite common for them not to achieve their goals and for them to have unanticipated side effects, even when they have been carefully planned. For that reason, he argued that government officials should take the adoption of new policies and programs as an opportunity to use empirical methods to understand and document the actual effects of their programs and policies and to test out competing approaches to attaining valued goals. Decisions about which policies and programs to keep, which to revise, and which to drop would then have a much firmer basis. Such an approach decreases the likelihood that ineffective programs will be maintained over long periods of time inadvertently wasting resources. It also provides an opportunity to assess the relative costs and benefits (social as well as economic) of possible alternative approaches to solving problems or promoting desired changes.

Although Campbell's idea came out of the U.S. context, his argument that experiments can illuminate the impact of various policies has been proven in the South Asian context. For example, in 1993 India passed a controversial law reserving leadership positions on selected village councils for women. An experimental study demonstrated that the girls in such villages developed higher aspirations compared to boys than did their female peers in villages without the reservation system and that the gap between boys and girls in educational attainment in such villages disappeared over time (Beaman, Duflo, Pande, Topalova, 2012). However, the study did not find an effect of the reservation policy on subsequent labor market experiences for girls in the villages with the reservation system in place. Another policy experiment conducted in West Bengal took advantage of a change in the law regarding when English was introduced into the curriculum to estimate the impact of this policy shift on the wages later earned by students ((Kapur & Chakraborty, 2008) and concluded that early exposure to English in primary school resulted in a substantially higher wages for students once they entered the job market. Although the outcomes of such studies are clearly not the only factors to be considered in setting related policies, they do clearly provide information extremely relevant to such decisions.

Campbell's argument has even more relevance in Bhutan than in the U.S. where he originally made it for a number of reasons. First, financial resources are very limited in Bhutan, making the wise

use of the resources available even more crucial here than in more affluent nations. Second, although Bhutan has made great strides in the last decades in providing important services to its people, there are still a substantial number of citizens living in extreme poverty or under extremely difficult conditions (Eleventh Round Table Meeting, 2011). For this reason, finding the most effective ways to improve their situation is extremely urgent. Third, and perhaps most importantly, Bhutan's small population and geographic size, the relatively recent development of its educational system and the accompanying lack of much Bhutan-based research mean that the country often must look to the rest of the world for ideas on effective policies to achieve its goals as well as for best practices and programs. Yet, Bhutan has its own rich and unique culture. It also has its own special set of demographic and geographic challenges. The very uniqueness of Bhutan in all these regards means that one cannot safely assume that policies, programs, and practices that were effective elsewhere will necessarily be effective here. Thus, both research in social psychology illuminating cross-cultural differences pertinent to the success of government policies and programs and empirical investigation of the impact of government initiatives is especially important here.

Because so many of the government of Bhutan's policies and programs are intended to maintain or increase GNH, using accurate information on their effectiveness when making decisions about their initiation, refinement and continuation could contribute importantly to the overall attainment of GNH. Without such work it is extremely difficult, even impossible, to accurately assess their real impact. The power of the idea of GNH has been amply demonstrated by the interest it has stimulated around the world and the recent action in the U.N. But as the world looks to Bhutan to see how progress toward achieving GNH can be fostered by government policies, observers will more and more often look for experimental or quasi-experimental studies of the results of government policies. Indeed, as Lord Layard commented when calling for more experimental research at a 2011 conference on Gross National Happiness and Economic Development held in Thimphu, "There is really no substitute for proper controlled work" (Layard, 2011).

Experimental or quasi-experimental research is especially important because it is widely agreed that cause-effect relationships can be much more effectively investigated using these designs than other research methods. Well-designed experiments control (i.e. keep equal) all factors that could logically impact the outcome of interest other than those whose impact is being specifically investigated. Quasi-experimental approaches lack a key ingredient of experimental designs, random assignment of participants to the various conditions, i.e. to receive not to receive a government service (Campbell & Stanley, 1963). But Campbell and Stanley's remarkably influential work on quasi-experimental designs provides a variety of approaches to greatly mitigating the issues this creates for determining causality. Since so many policies or programs intended to increase GNH do not randomly select those affected, the work on quasi-experimental design provides an extremely valuable resource for assessing the impact of programs or policies, as does the work of other social psychologists which has greatly enhanced the precision and validity of the conclusions drawn from experimental and quasi-experimental research (e.g. Rosenthal, 1994).

Conclusions

This paper has briefly indicated how research in social psychology can contribute to increasing aspects of GNH ranging from good governance to improved health and psychological well-being and community vitality. Space limitations prevent discussion of other areas, including environmental conservation, to which this field can also contribute. In addition, this paper argues that use of research methods developed by social psychologists, especially quasi-experimental designs, can play an important role in helping both to achieve and to document increases in GNH.

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The Role of Critical Pedagogy in Enhancing the Values and Principles of Gross National Happiness in the Royal University of Bhutan

DEBORAH G YOUNG

Abstract

In this article I assert that the inclusion of critical pedagogy in teacher education training as well as in public classroom teaching will provide a substantial and meaningful contribution towards the attainment of Gross National Happiness (GNH) classrooms in Bhutan. Critical pedagogy aligns with principles and values of GNH sharing a foundation based upon human interrelationships that strengthens a holistic and ecological setting in the classroom. My intention is to identify some of the central assumptions about critical pedagogy and evaluate how aspects of these central assumptions are, at least beneficial, if not essential, to the development of the holistic and transformative learning approaches and practices necessary for a GNH classroom.

Introduction

The term Gross National Happiness (GNH) was coined by The 4th King of Bhutan, His Majesty Jigme Singye Wangchuck, when he ascended the throne in 1972. It signaled his commitment to building an economy that would serve Bhutan's unique culture permeated by Buddhist spiritual values. The happiness of the people of Bhutan has become a guiding goal of development for this country transitioning from a closed society into the global community (Priesner, 2001). The GNH framework acknowledges that the spiritual and emotional development of the people is of equal importance to the development and promotion of material accumulation and modern comfort.

Bhutan's leaders have developed indicators that use happiness as a collective goal to inform and guide policy and decisions in the nine pillars or domains that contribute to the nation's development and happiness**;** education is one of them (Ura, 2008). GNH encourages individuals to see all things as interdependent with all other things, which is a foundational assumption of critical pedagogy. In order to achieve collective happiness, this principle of interdependence needs to be adopted and practiced by everyone, and therefore, needs to be embedded in the education of the citizens of Bhutan. The education of the citizens of a society has a direct bearing on the wellbeing of the social, ecological, and spiritual balance in a society.

Because Bhutan is dedicated to the holistic development of their students and their society**,** it is important to challenge students, teachers, and administrators to think critically about their lives as they shape their future. The educational system in Bhutan will benefit from the use of critical pedagogical practices to support their development of a holistic educational pedagogy. Critical does not only mean to criticize. It also means to reflect and become aware, to see deeply what is below the surface. Pedagogy is the meaningful interactions between teacher and a learner, both in the classroom and in the larger community. Critical pedagogy discovers and explores the possibilities for the why that leads to the ac-

tion and interacts the teacher and learner in the real world. For the students of Bhutan to maintain the foundation of Buddhist principles and Bhutanese culture, the foundation of GNH principles and values, their decisions must be based upon self-reflection and informed action rather than mandatory or conditioned action.

Many instructors find it difficult to generate meaning and assessable learning from current structured classroom practices. The training of critical pedagogy for use in the classroom at all levels as a daily pedagogy can be used to critique and reflect on the knowledge base, assumptions, beliefs, practices, and outcomes that dominate conventional education used in western societies. What is more, critical pedagogy requires the development of understanding of different paradigms as a step toward growing interrelationships with self, other, and the environment. This is referred to as dialectical dialogue. Here the tension between various, and at times opposing, thoughts, values, and beliefs are talked about in a profound, wise, and insightful conversation. As a result, an intentional culture is developed that moves toward an increase in harmony and happiness.   Instructors and students life experiences must be connected to, and supported by, the course materials, content, and coupled with civic issues (VanBalkom & Sherman, 2010). In this way, teachers and students learning deepens as they become more aware of themselves as people and as learners. The importance of content and skills is important, and the study of teacher and learner history and current living experiences increase student engagement and understanding through multidisciplinary, experiential, and intergenerational learning that is relevant and contributes to the well-being of community life (Gruenewald, 2002; Theobald & Curtiss, 2000). Learning about oneself requires a daily practice of naming, critical reflection and taking informed action, thus moving towards a better and more just world. This process of praxis will contribute to sculpting the future of bhutan.

Critical pedagogy

A central assumption of critical pedagogy is that learners have the ability and the right to construct their world. His MajestyJigmeSingyeWangchuck showed his deep belief of this concept by moving Bhutan from a monarchy to a democracy, trusting the people of Bhutan to make good decisions, and guide their future. To aid in the transition towards democracy, the educational domain of Bhutan will need to provide opportunity for learners and teachers to co-create knowledge and its meaning in social exchange with each other. The learner should not be viewed as an empty vessel for knowledge to be deposited nor should the student be viewed as an object of education. A good educator embraces learners as intelligent beings with the ability to create change thereby causing movement towards social and ecological balance (Rinpoche, 1981). Consequently, the curriculum should be situated within the reality of people's lives rather than at theoretical level where knowledge is merely an abstract an idea to be explored. MacInerney and MacInerney (1994) talk about how students learn best and state that concrete demonstrations of key concepts facilitate effective learning (p. 568). One of the main criticisms concerning Bhutanese teachers and lecturers is their use of traditional methods of lecturing and passive teaching, VanBalkom and Sherman (2010) also state that the education in Bhutanese schools will only improve if there is a shift to a culture of engagement in classrooms and that the lecturers in the Colleges of Education maintain a vital role in creating such a culture Gandhi (1947) stated that, "it is not literacy or learning which makes a

man, but education for real life." More importantly, is the appropriateness and relevance, not the quantity of education (Hopkins, 2002). The relative knowledge and skills will be the real basis for transformative action, and will therefore effect movement towards GNH for the 21st century (Wheeler, Bijur & Center for a Sustainable Future, 2000).

The word *pedagogy* is a technical concept that reflects interrelationships between various components in an academic community, the teacher, the student, the administrator, the classroom, the context, the content, the physical environment, the cultural environment, and the view of learning. Pedagogy may be described as a "deliberate attempt to influence how and what knowledge and indentities*[sic]* are produced within and among particular sets of social relations" (Giroux & Simon, 1989, p. 239). The implementation of pedagogy relates to the production of knowledge. Hence, when examining pedagogy, questions must be asked about the vision and goals of the education and the practices desired for teachers and students.

Transmission of available knowledge is only part of the teachers**'** role. They also need to co-create new knowledge and stretch the conventional boundaries of learning. Schools and universities are positioned to engage in the discovery of knowledge. This new knowledge is an asset to the whole educational process because it brings new insights to the understanding of issues and problems affecting the nation, and thus enhances the opportunities for prosperity and happiness (Powdyel, 2005).

The *critical* aspect of critical pedagogy refers to the examination and analysis of the socialization of people in society in order to better understand and discern the current social human condition. This begins with a rigorous investigation of how phenomena of self and world co-exist. Something about critqtue Critical pedagogy requires action towards transforming self and society, promoting practices of justice, and linking the individual to the collective society. This emphasis of interrelationships between the individual and collective society aligns with GNH principles. The Dalai Lama (1999) tells us that "our connection to every other living being is not a matter of sentiment, or religious doctrine, but reasoned fact. That is how life is**.**" This type of analysis counteracts our tendency to see things and events in terms of solid, independent, discrete entities, and challenges us to see things and events less in terms of black and white and more in terms of complex interlinking of relationships. Systems philosophy, critical and long-term thinking, propensity for action, aesthetic, and the strengthening of values infused in basic goodness become the results of a holistic educational experience, supported by critical pedaogy (Hopkins, 2002).

Critical pedagogy begins with the recognition that learners and teachers exist in relationship within a cultural context. This requires the student and teacher to explore the relationships among education, culture, human agency and identity; the relationship between theory and concrete practice; and finally the role of healthy, democratic, and ethical discipline in the pursuit of co-created knowledge. Studwhich ents and teachers tend to reflect on their own situation to the extent that they are challenged by it and then act upon it. The student and teacher *are*, that is to say they exist in a specific time and place, in a particular situation. This is referred to as situationality. The student and the teacher are in their precise role because of the particular situation, time, and space. If the situation were to change, then their roles change. Critical pedagogy is a method for teachers and students to critically reflect upon their existence, which then informs their action and conciously guides the situation, promoting a more awake state. Awakening, the process of conscientizisation, is essential to critical pedagogy and supports GNH values and principles. The important use of critical pedagogy in the teacher preparation program at

Royal University of Bhutan's Paro College of Education and within the classrooms of Bhutan, facilitates an exploration of how we might live our lives together, and move towards self- happiness and social harmony.

Typically, education either reinforces or critiques the existing social factors which currently exist and/or historically existed. When critique is involved, linkages with existing issues evolve, analytical skills develop, and a dialectical discourse emerges. This enables people to participate in co-creating the community in which they want to live and grow. When the classroom becomes a place to imagine versions of a world that has not yet come to be, in order to be able to alter the grounds upon which life is lived, an approach that is locally and contextually formulating a practice within an integrated moral and epistemological stance can developed (Simon, 1992, p. 58). This everyday practice in the classroom can lead to a critique of the learners and teachers everyday lives whereby the individual understands more deeply the interconnectedness of their daily patterns of behavior with that of the health of the collective society.

The development of the conscience is the foundation of critical pedagogy. Prime minister Lyonchhoen Jigmi Y Thinley, in his eight-page letter to the 25 international participants in November in 2009, wrote "Unless our young people grow up with a deeply felt concern, care, and respect for each other and for the profound wisdom of our ancient culture and traditions, our development goals will quickly falter," (Choden, 2011). Critical pedagogy is a transformational educational journey, with an outcome of guiding conscious social transformation which builds personal and communal awareness into the daily practices inside and outside the classroom (Aronowitz & Giroux, 1993; Friere, 1970; Giroux, 1998; McLaren, 2003). This awareness aligns with Buddhist teachings. Buddha means "one who is awake," or conscious and aware of one's self in relationship with the outer world (Goldstein & Kornfeld, 2001, p. 3). Focusing on the standardization of curriculum, outcomes, and accountability reduces, and perhaps denies, the student and the teacher the opportunities to participate in critical thinking, dialectical dialogue, self-reflection, and critique necessary to enable the development of awareness and consciousness.

In essence, the development of consciousness is key to a classroom where critical pedagogy and the values of GNH are practiced. The attention to authentic dialogue between learners and educators and the use of real, concrete contexts, *i.e.,* the social reality in which people exist, is prominent (Freire, 1985). Learning includes reflection on an objective reality and the presence of authentic dialogue, thus enablinglearners and educators to engage in praxis. Self-reflection and self-assessment situated within the realities of the students and their community is essential for self-awareness and the development of moral conscience. Shor (1980) suggests that the role of the student must shift from an object to an active critical subject. In conventiona; educational paradigms, students have engagned in a sense of complacency not only in terms of education but also in terms of their everyday lives. Banking education (Freire, 1970), which conventional education typically portrays, inhibits creativity, where as problem-posing, a key element in the application of critical pedagogy, involves a constant discovery and illumination of reality and the students and teachers relationship to the reality. The classroom agenda promotes a strong link between theory and daily practice, promoting a greater relevance for students and teachers.

Shor (1992) suggests that through the critique of the daily processes in the classroom, students and educators become more aware of previous conditions that seem unconditional, and assume more responsibility for their individual actions and daily patterns of behavior. The mimicry of convention is

critiqued and critical consciousness can be reconstructed (Shor, 1980). These types of classroom practices and assessments are consistent with democratic processes, unlike practices of standardized testing brought in from outside the classroom (p. 112). Education can then become a place where "people reflect upon themselves and their condition in the world – the world in which and with which they find themselves…to the extent that they are more conscientizised, they will inset themselves as subjects into their own history" (Freire, 1970).

In addition, the practice of critical pedagogy can help to build attitudes of humility through an awakening of our cognition, another GNH value. Einstein said:

> It is not enough to teach a man a specialty. Through it he may become a kind of useful machine, but not a harmoniously developed personality. It is essential that the student acquire an understanding of and a lively feel for values. He must acquire a vivid sense of the beautiful and the morally good. Otherwise, he - with his specialized knowledge – more closely resembles a trained dog than a harmoniously developed person. He must learn to understand the motives of human beings, their illusions, and their sufferings in order to acquire a proper relationship to individual fellowmen and the community (Eienstein, 1952).

The importance of integrating values and ethical education is a requirement in the practice of critical pedagogy (Ura, 2009). Education minister, Thakur Singh Powdyel (2009), said it is essential that GNH values and principles – including deep and genuine care for nature and for others, the flourishing of our profound and ancient culture, and the elements of good citzenship and governance – are deeply embedded in the consciousness of our youth. They [the youth] after all, are the citizens and leaders of the future and country's future rests in their hands, and that it is essential that GNH values and principles be deeply embedded in the consciousness of the youth throughout their education (Powdyel, 2009).

The more teachers and learners develop their consciousness the more ethical and compassionate their knowledge of, and actions to, all living beings including the earth, and therefore the more likely teachers and learners can create peace in their hearts. When there is more internal peace it is more likely that people will behave compassionately to those around them. Critical pedagogy requires teachers and learners to act out of concern for others thus developing compassionate action. If teachers and learners cannot conceive the potential impact of their actions, they have no means to discern between just or unjust. If we can develop the capacity for empathy, teachers and learners are more likely to be more sensitive to those choices which are more likely to cause harm and those which are less likely to do harm. Reason and logic play a big role in the development of empathy and compassion. When we apply our intellectual faculties to feelings of empathy, our intellect can transform into love and happiness.

Ethical values must be discerned; people should not simply be left to follow rules or instructions. Teacher and learner must use their intelligence to assess thought and action in relation to time, place and circumstance, and the long-term impact on the totality of all others, as well as self (Ura, 2009). An action can be ethical or moral in one set of circumstances, but not in another. Any particular act should not be judged as right or wrong when viewed in the abstract, only from the fundamental question of basic goodness. Ethical action is dependent upon many factors which need to be discerned. Critical pedagogy is a tool that actively engages the teacher and learner in the process of discernment.

When engaged in the process of discernment, teachers and learners need both critical and imaginative capabilities. Teachers and learners must develop the coming together of skill and insight to discriminate between short and long-term benefits, to analyze and assess the possible likely outcomes of

their action(s), and to be able to choose the greater good. Using discernment in a critical pedagogical context requires the teacher and learner to check their motivation and move towards decisions that foster equity and compassion in our daily living. Giroux (1988) believes using critical pedagogy in the classroom provides the foundation for students to become transformative intellectuals. Freire (1998) stated that teachers and students are cultural workers and that critical pedagogy is required in their work so the collective well-being of a society will be promoted. He also emphasize**s** that teacher preparation should "demonstrate that the task of the teacher, who is also a learner, is both joyful and rigorous. It demands seriousness and scientific, physical, emotional, and affective preparation. It is a task that requires that those who commit themselves to teaching develop a certain love not only of others but also of the very process implied in teaching," (p. 3).

The Dalai Lama (2001) challenges the public to question the culture of perpetual economic growth and suggests that this culture fosters chronic discontent. He states that inequality among nations is a source of trouble and poverty for everyone, both those economically rich and poor. Many current sources suggest that the current modern educational system neglects the discussion of ethical and environmental matters. This is in some extent due to the development of the educational system during the time when industrialization increased, large coporations became more powerful than governing institutions, consumerism became associated with happiness, religious institutions were highly influential throughout society, and human and ethical values were generally held to fall within the scope of family and religion and not situated within the formal educational institutions (Dalai Lama,2001); Foxman; 2004, Kim & Omizo, 2005; Kusserow, 2004; Norberg-Hodge,1991; Raptan, 2001; Schumacher, 1999). It is evident that we are over-taxing our environment by over-fishing, clear cutting our forests, desertfication of our farmlands, and the daily extinction of many plants and animals. The choices the western world are making focuses on maximizing the immediate individual and collective pleasure. The consumer modality of thinking shows that the population of the United States alone, just under 5% of the world's population, utilizes over 22% of the world's resources (Population Connection, 2011). The lack of a "harmonious happiness" is threatening a great unravelling in which suffering will spread and deepen across the whole living system" (McDonald). In Bhutan individualism is increasing as a result of the gradual opening of the private sector and modernizing. The growing emphasis on individualism rather than collectivism poses unprecedented challenges that are new to most Bhutanese. The western notion and importance of being independent is spread by the media and other outside influences, including tourism (Rapten, 2001). "This idea of being 'independent' in turn undermines the traditional values of interdependence" (Wangyal, 2001, p. 114).

McDonald states that "The nuances involved in aspiring to a more skillful mode of securing a more accomplished happiness are likely to be missed under the imperatives dominant in contemporary western societies, particularly in those that are most completely captured by market philosophies." He goes on to say that "we need to engage a much more rigorous analysis of what a rightful happiness actually involves. Such an analysis quickly takes us well beyond the limitations of a simple amoral quantification to engage a qualitative view in which happiness exists as only one facet of a more complex human development" (p. 615). Critical pedagogy calls for just this**:** a rigorous critique and analysis of what is actually taking place and how we can individually shift out of daily patterns of behavior, thereby impact-

ing collective behaviors. This moves teachers and learners towards a:

> transformative shift such that they come to rely on the deeper and more stable fulfillments that can be derived from the cultivation of their own internal resources. As we move towards actualising these inherent resources, we move away from dependency, short-sightedness, superficiality, conflict, insatiability and the other tyrannies inherent in a less mature striving. (McDonald, p. 618)

This mature striving can more readily happen by using critical pedagogy as a tool in the classroom and in the teacher education training program. It is necessary to develop the curriculum to preserve Buddhist values, move conventional western educational paradigms towards a more ethical and compassionate paradigm and reduce the dependency on pleasures derived from outside of ourselves which currently exploit the external world. Through this process, teachers and learners move towards inclusion of the interests of an interrelationship with our self, others and our environment. This conscientization, the development of our consciousness or awareness, process embedded in critical pedagogy will strengthen the interrelationships between people and the environment, and increase the bond of our communities, the liveliness of our environment and the happiness the teachers and learners experience. The use of critical pedagogy is one way the educational system can profoundly impact the happiness of all the people of Bhutan.

Conclusions

The Dalai Lama (1999) makes an appeal to all of us**:** in the face of life's impermanence, make the rest of our life in each present moment as full, productive and meaningful as possible. Critical pedagogy requires that people in a classroom attune to the specifics of where they live and understand how their personal life is connected to larger communities, including the gewogs, the dzongkhags, the nation, and the global community.

The conceptual framework of a critical pedagogical curriculum uses content steeped in the deconstruction and reconstruction of teacher and student assumptions about the relationships that exist between the knowledge learned; the social situations present; and the economic, ecological and political associations of the communities they reside in. The process of becoming aware or more conscious, cultivates wakefulness which makes space for an expanded understanding. Thoreau (1847) wrote:

> Little is to be expected of that day, if it can be called a day, to which we are not awakened by our Genius, but by the mechanical nudgings of some servitor, are not awakened by our own newly acquired force and aspirations from within, instead of factory bells…The millions are awake enough for physical labor; but not one in a million is awake enough for effective intellectual exertion, only one in a hundred millions to a poetic or divine life. To be awake is to be alive. I have never yet met a man who was quite wake. How could I have looked him in the face? pp. 60-61.

This requires giving way to familiar well-worn habits. When one becomes more fully awake, the steadiness of the mind is increased along with the deepening of heart. The deepening of the heart develops compassion and empathy. Compassion is one of the principal attributes that make our lives more meaningful, more humble, and more happy.

> When educational classrooms and training programs embrace an educational paradigm utilizing the tools of critical pedagogy, education can become a place where "people reflect upon themselves and their condition in the world – the world in which and with which they find themselves…to the extent that they are more conscientizised" (Freire, 1970).

Critical pedagogy is a living educational pedagogy in which everyone involved knows some things and does not know others, and together we all seek to know more.   This requireseducators be humble so that the teacher can grow and develop alongside the learners. The teacher directs the learning experience; learning is not in a free space. Dialogue must take place; the development of the intellect through study, discipline of self, and shared knowledge through personal and communal experience are essential ingredients which will allow for the holistic development of the individual and community. Silberstein and McGreever (1999) suggest that holism, referred to as ontological emergence, occurs is when the identity of a part is in relationship with other. This is when real holism arises. Holism is best understood in processes rather than in products, in terms of the verb, rather than the noun.

When the student and instructor enter the process of learning through the door of humility, there is a spiritual component embedded in the learning process that forms a holistic educational paradigm and practice. This gives rise to both an inner and outer transformation that can move toward social and ecological harmony. Critical pedagogy links the classroom, the culture, the politics, the environment, and the heart, through both inner and outer inquiry. Inner referring to the relationship of self within the contexts mentioned, and outer referring to questions about others within the contexts.

The challenge of GNH founded classrooms is to discover ways to improve the quality of interreationships between people, to increase intercommunity cooperation wherein human diversity is recognized and the rights of all are respected, not only through curriculum, but also through the process that takes place in the interrelationships of teacher and learner. Real happiness is something more profound than the pleasure derived from outside reward or gratification. The process of growing happiness in a classroom by means of critical pedagogy can deepen the understanding of inner tension and thus reduce inner conflict. The fact that mindful human interdependence is fundamental for peace and happiness is more evident than ever in our students attending modern conventional education institutions. Critical pedagogy is a cylical spiral process that can help teacher and learner develop the necessary consciousness to cultivate and nurture continued mindful human interdependence.

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About the Author

DEBORAH YOUNG, PhD, EdS., Naropa University, Boulder CO, USA, began her career life as a juvenile probation officer. Due to the challenges and limitations of the justice system she moved into the educational system hoping to give a stronger voice to children. She trained with Dr. Caspari in Montessori's work for children and peace. She continues her passion of researching the special needs of single mothers and the impact of poverty on families and children. Over the past twenty-eight years, Debbie has set up programs to serve families impacted by poverty locally and internationally, and has constructed many schools based on experiential service learning. She currently works with programs in Central America, Kenya, and Nepal. Earlier this year Dr. Young visited the Royal University of Bhutan as a consultant and worked with the faculty at Paro College of Education. Through this work a collaborative participatory action research study with the faculty at Paro is planned for the spring 2012 semester. The study's focus is on the development of a Gross National Happiness classroom.

In Search of Prosperity:
External Trade Relations of Bhutan[1]

DIL BAHADUR RAHUT

Abstract

Since Bhutan is a small landlocked country with a population of about seven hundred thousand people, it has to be externally oriented for its growth and prosperity. Due to its geographic location Bhutan's trade is concentrated with India and India accounts for 78 percent of Bhutan's imports and 94 percent of Bhutan's exports. Bhutan's exports basket is narrow and electricity accounted for about 42 percent and mineral and mineral based products accounted for 41 percent of the total export in 2009. Factors such as Bhutan's geographic location, Indo-Bhutan Hydro-power cooperation, history of international relations, Indian government financial assistance to Bhutan, and proximity between Bhutan and India explain the country's trade concentration with India. While many Bhutanese believe that Bhutan can benefit from its membership with WTO, there are also those who think that WTO membership would mean the engulfment of Bhutan's interests and priorities by international giants. Bhutan's service sectors like tourism, hotel, medical care, and education could be of interest for WTO member countries. In order to reduce economic risks, Bhutan needs to diversify its trading partners and exports base through membership with WTO and other trading blocks.

Introduction

Asian countries have grown rapidly through participation in international trade and capital inflows, which has enhanced their saving, investment and overall growth and reduced poverty. Sound macroeconomic policies combined with outward oriented trade policies have been the engine of rapid change in the developing South East Asian economies. Asian economies are faced with the dilemma of deepening their openness to international trade and at the same time speeding up their integration to global trade.

During the last two decades, most of the developing Asian economies such as India, China, Vietnam and Malaysia came out from an inward-oriented development policy led by State intervention and moved to a more market-oriented development process. Guided by the Washington Consensus, most market oriented Asian economies used competition and free trade as the tools for development and growth.

The free trade regime, which promoted the growth of the Asian economies, is being challenged by the emergence of regional trade blocks like ASEAN, SAFTA, BIMSTEC and many other bilateral trade agreements. Under the GATT and WTO, the world is moving towards more liberal trade policies. At the same time there is an emergence of strong regional blocs like the European Union, NAFTA, MERCOSUR, SAFTA and others.

The merits of trade regionalism versus liberal trade policies are quite extensively debated. Besides their financial implications, the trade policies have significant implications for food security, poverty and welfare, macro-economic stability and international relations. For a small (both in physical and economic size), landlocked country like Bhutan, there are fewer options on policy choice.

The SAFTA should encourage and support trade among its members through the development of regional infrastructure, energy grid and investment but it should not jeopardize the international norms. In the interest of SAARC India must play the lead role to initiate reforms and win the confidence of the SAARC countries.

This paper analyze the development pattern, market size, relation with neighboring countries, macroeconomic situation and seeks to provide strategies that would enable Bhutan to reduce risk and vulnerability to external economic shocks, generate employment, increase forex reserves and growth.

Country overview

Although it is located between the two most populous countries in the world, Bhutan has always maintained its independence. It maintains about 70 percent of its total land area under forest cover (World Bank, 2010). Much of the population lives in the central highlands, and almost two-thirds are classified as rural inhabitants. The terrain is mostly hilly, with alpine peaks in the north, and some sub-tropical plains in the south[2]. The rugged mountainous terrains with its fast flowing rivers provide suitable environment for mega hydropower generation. The country is divided into 20 *dzongkhags* or districts, each headed by *a dzongda*, (district administrative officer). Each district is sub-divided into smaller blocks known as *geog*, headed by a *gup* (elected village headman).

Poverty in Bhutan as measured by headcount ratio (number of population below the poverty line) has declined from 31.7 percent in 2004 to 23.2 percent. Urban poverty declined from 4.2 percent to 1.9 percent and during the same period rural poverty declined from 38.3 percent to 30.9 percent[3]. Life expectancy at birth has increased from 45.8 years in 1985 to 65.9 years in 2003 for male and from 49.1 years to 66.1 years for female[4]. Gross school enrollment increased from 71.7 percent in 2004 to 85.1percent in 2007 for male and from 58.9 percent in 2004 to 79.2 percent for female in 2007. The unemployment rate for male increased from 3.2 in 2004 to 3.5 in 2007 and from 2.6 to 3.9 for female. The eighth national labour force survey (2010) found that the unemployment rate had dropped from 4 percent in 2009 to 3.3 percent in 2010[5]. Growing unemployment is a major problem facing the Bhutanese economy.

Bhutanese economy is highly dependent on trade, in particular with India. Around two-third of its workforce depend on agriculture, many being subsistence farmers. Bhutan grows around 60 per cent of its staple food and has to import the rest. Although it is landlocked and has difficult terrain and a widely dispersed population, the Bhutanese economy witnessed a steady growth rate of 7-8 percent over the last two decades. The growth was supported mainly by the secondary sector (see Table 1). However, since 2000 the growth and contribution of the agricultural sector has slowed down. The contribution of the primary sector declined from 44.6 per cent in 1980 to 20.3 per cent in 2007. While the contribution of the tertiary sector did not show much change it registered a significant growth owing to investments in hydropower and mineral based industries in the southern foothills. According to the World Bank (2010) Bhutan's per capita gross national income (GNI), one of the highest in South Asia, has consistently risen from US$ 730 in 2000 to US$ 1,900 in 2008[6].

In 2008 Bhutan's GDP was Nu.54,713 million and Nu.61,223in 2009. Although the economy grew at an average of 7% per annum since the 1980's the growth has been either in capital-intensive industries or it was concentrated in urban areas.

Table 1: Contribution of GDP and growth

Year	Contribution to Economy			Growth of Economy (%)	Per-Capita GDP (USD)
	Primary	Secondary	Tertiary		
1980-1985	43.73	17.07	39.22	8.05	N/A
1986-1990	38.66	21.80	39.56	10.14	N/A
1991-1995	35.08	26.24	38.66	4.70	N/A
1996-2000	31.56	30.68	37.76	6.34	N/A
2001-2005	26.52	34.88	38.62	7.64	N/A
2006-2010	21.01	39.47	36.37	9.32	1,814.48

Source: National Statistical Bureau of Bhutan

Bhutan trade

Bhutan's exports and imports have been rising every year and the rise is mainly due to increase in exports to and imports from India (see Table 2). Import figures have been increasing due to increase in the import of machinery for investment in infrastructure such as hydropower, roads, schools and hospitals. The contribution of electricity to Bhutan's total exports is significant and it has been increasing over the years. In 2006, electricity contributed to about 26.5 percent of the total export and it increased to 36 percent in 2007, 48.8 percent in 2008 and 42.1 percent in 2009. In the coming decades, the share of electricity in Bhutan's total export will increase as several hydropower projects are in the pipeline. Hydropower related imports are also going to increase to commensurate Bhutan's plan to generate about 20,000 MW of electricity by 2020.

Table 2: Bhutan's trade statistics

	With Electricity		Without Electricity		Share of electricity	
YEAR	IMPORT	EXPORT	IMPORT	EXPORT	IMPORT	EXPORT
TRADE: OVERALL (Nu. in million)						
2009	25,650.20	23,992.70	25,522.90	13,902.00	0.5	42.1
2008	23,495.10	22,590.60	23,479.10	11,558.10	0.1	48.8
2007	21,745.40	27,859.10	21,724.60	17,824.70	0.1	36.0
2006	19,011.00	18,771.00	18,940.00	13,789.00	0.4	26.5
TRADE: INDIA (Nu. in million)						
2009	19,968.00	22,434.40	19,840.80	12,343.70	0.6	45.0
2008	17,339.60	21,480.00	17,323.50	10,447.40	0.1	51.4
2007	15,099.50	22,723.70	15,078.70	12,689.40	0.1	44.2
2006	13,053.00	14,488.00	12,982.00	9,506.00	0.5	34.4

Trade Statistics, Department of Revenue and Custom

Bhutan's direction of trade

As Table 3 shows, Bhutan's export has been increasing rapidly over the years. Bhutan's export has increased by 189 percent from Nu.8.3 billion (SGD 0.31 billion) in 2004 to Nu.24 billion in 2009 mainly due to increase in export of electricity to India. India is Bhutan's most important export destination followed by Bangladesh. In 2009, the share of Bhutan's exports to India was 94 percent. Similarly, imports increased by 37 percent from Nu. 19 billion to Nu. 26 billion. During the last 5 years the average import from India was over 70 percent. In 2009 the share of imports from India was around 78 percent. After India, Bhutan's other significant import destinations are Japan, Singapore and South Korea. Imports from these countries are mostly automobiles and electronics. The direction of trade for 2009 (see Table 3) shows that trade with countries other than India is insignificant.

Table 3: Direction of trade (Nu. In million)

Item	2004	2005	2006	2007	2008	2009
Exports						
India	7,761.6	9,969.8	14,488.0	22,723.7	21,480.0	22,434.4
Bangladesh	410.7	561.8	470.1	469.6	632.4	758.0
Nepal	17.7	44.8	57.4	54.3	195.8	84.8
Hongkong	11.7	685.9	2,866.0	2,764.3	105.3	677.6
Japan	24.4	7.1	8.1	21.2	66.0	2.7
Poland	-	-	-	-	18.8	-
UAE	-	-	-	4.2	17.0	-
United States	4.8	3.8	1.6	15.6	15.1	9.7
China	4.3	0.0	0.0	2.0	12.5	1.6
Maldives	-	-	-	-	11.4	-
Others	53.7	157.7	938.0	1,858.6	36.4	23.8
Total	**8,288.8**	**11,431.0**	**18,829.2**	**27,913.4**	**22,590.6**	**23,992.7**
Imports						
India	10,193.9	12,795.1	13,053.9	15,099.5	17,339.5	19,968.0
Japan	598.2	648.2	395.9	460.1	1,098.9	558.5
Singapore	420.1	447.2	515.1	1,109.7	964.8	744.0
China	205.3	182.2	281.7	402.7	844.7	487.3
Thailand	349.6	275.5	257.8	224.9	410.8	348.9
South Korea	501.8	247.5	459.4	644.5	286.7	383.8
Germany	4,248.4	200.4	200.3	125.4	285.0	222.7
Indonesia	65.3	240.0	1,331.3	1,306.8	244.3	68.6
Sweden	275.3	99.7	176.7	306.2	240.7	462.4
Malaysia	80.3	174.9	351.8	193.4	207.1	374.5
Others	1,701.4	1,724.4	1,988.1	1,872.2	1,572.7	2,031.5
Total	**18,639.5**	**17,035.1**	**19,012.0**	**21,745.4**	**23,495.1**	**25,650.2**

Item	2004	2005	2006	2007	2008	2009
Share in percent						
Exports						
India	93.6	87.2	76.9	81.4	95.1	93.5
Bangladesh	5.0	4.9	2.5	1.7	2.8	3.2
Nepal	0.2	0.4	0.3	0.2	0.9	0.4
Hongkong	0.1	6.0	15.2	9.9	0.5	2.8
Japan	0.3	0.1	0.0	0.1	0.3	0.0
Poland	-	-	-	-	0.1	-
UAE	-	-	-	0.0	0.1	-
United States	0.1	0.0	0.0	0.1	0.1	0.0
China	0.1	0.0	0.0	0.0	0.1	0.0
Maldives	-	-	-	-	0.1	-
Others	0.6	1.4	5.0	6.7	0.2	0.1
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Imports						
India	54.7	75.1	68.7	69.4	73.8	77.8
Japan	3.2	3.8	2.1	2.1	4.7	2.2
Singapore	2.3	2.6	2.7	5.1	4.1	2.9
China	1.1	1.1	1.5	1.9	3.6	1.9
Thailand	1.9	1.6	1.4	1.0	1.7	1.4
South Korea	2.7	1.5	2.4	3.0	1.2	1.5
Germany	22.8	1.2	1.1	0.6	1.2	0.9
Indonesia	0.4	1.4	7.0	6.0	1.0	0.3
Sweden	1.5	0.6	0.9	1.4	1.0	1.8
Malaysia	0.4	1.0	1.9	0.9	0.9	1.5
Others	9.1	10.1	10.5	8.6	6.7	7.9
Total	**100**	**100**	**100**	**100**	**100**	**100**

Source: Royal Monetary Authority of Bhutan (Annual Report)

Bhutan's trade arrangement and agreements

Bhutan's economy has been on an upswing growth due to recent sub-regional economic cooperation efforts. Already this plan has strengthened the current trade relations with India as well as opened an avenue of trade with Bangladesh. In May 2003, the bilateral Free Trade Agreement between Bangladesh and Bhutan was re-signed. Bangladesh is Bhutan's second largest trade partner, after India. In January 2004, as a member of the South Asian Association for Regional Cooperation (SAARC), Bhutan also joined the South Asian Free Trade Agreement (SAFTA). In February 2004, Bhutan joined the Bangladesh, India, Myanmar, Sri Lanka, and Thailand Economic Cooperation Forum (BIMSTEC). Bhutan has applied for membership in the World Trade Organization and is in the process of developing clear legal and regulatory systems designed to promote business development.

SAFTA

South Asian Preferential Trading Arrangement (SAPTA) is a preferential trade arrangement among eight SAARC[7] countries. The Agreement on South Asian Preferential Trading Arrangement (SAPTA) came into operation on 7[th]December, 1995.

The SAFTA (Agreement on South Asian Free Trade) was signed by the Governments of the SAARC (South Asian Association for Regional Cooperation) member states comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States". The Objectives of this Agreement[8] are to promote and enhance mutual trade and economic cooperation among Contracting States by, inter-alia:

- Eliminating barriers to trade in, and facilitating the cross-border movement of goods between the territories of the Contracting States;
- Promoting conditions of fair competition in the free trade area, and ensuring equitable benefits to all Contracting States, taking into account their respective levels and pattern of economic development;
- Creating effective mechanism for the implementation and application of this Agreement, for its joint administration and for the resolution of disputes; and
- Establishing a framework for further regional cooperation to expand and enhance the mutual benefits of this Agreement.

BIMSTEC free trade agreement

BIMSTEC (Bangladesh, India, Myanmar, Sri Lanka, and Thailand Economic Cooperation) sub-regional grouping was formed in Bangkok on 6 June 1997. Myanmar joined the organization on 22 December 1997 and the name of the grouping was changed to BIMST-EC. Nepal and Bhutan also became members of the group in 2004. On 31 July 2004 it was named BIMSTEC (Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation). BIMST-EC has thirteen priority sector; trade and investment, led by Bangladesh, is one of the priority sectors.

BIMSTEC member countries agreed to establish the BIMSTEC Free Trade Area Framework Agreement in order to stimulate trade and investment among the parties and attract outsiders to trade with and invest at a higher level in BIMSTEC countries. All members, except Bangladesh, became signatories to the Framework Agreement in BIMSTEC's 6th Ministerial Meeting. Bangladesh joined the Framework Agreement on 25 June 2004.

Indo-Bhutan trade arrangement and policy

Trade Policy between Bhutan and India was influenced by historical relations between the two countries, mutual support through grants and assistance, hydropower cooperation, vendor financing, food security and geographic location. India and Bhutan have traditionally enjoyed a warm, cordial and mutually beneficial relationship. The Treaty of Friendship and Cooperation of 1949 governs the basic framework of bilateral relations between the two countries. The treaty of 1949 between India and Bhutan was

revised on February 8, 2007. The Treaty provides for, among other things, perpetual peace and friendship, free trade and commerce and equal justice to each other's citizens. The Government of Bhutan has also maintains friendly relations with China although   there exists no formal diplomatic ties between the countries. Bhutan's formal trade with China is insignificant but it does have some informal trade across the northern borders. Although the Chinese government has built a road and rail-line through the Autonomous Region of Tibet, it is not expected that trade between the two countries will increase substantially. However, growth in trade between Bhutan and China would provide more alternatives for Bhutanese goods. It would also improve the standard of Bhutanese goods as the price of Chinese products is highly competitive. Although trade between China and Bhutan is facilitated through the Indian seaport, small amounts of informal trade exist through the northern border.

Initially, the trade policy between India and Bhutan was that of a custom union[9], wherein the export and import tariff regimes were the same. The purpose of choosing such a trading arrangement between Bhutan and India was to increase economic efficiency and establish closer political and cultural ties between the two countries. However, over a period of time, this arrangement evolved into a free trade arrangement. Since tariff was not imposed on goods exported from Bhutan there were a few instances in which Bhutanese companies took advantage of the differential tariff regime. They imported goods from other countries and re-exported them to India. So the government of India imposes tariff based on the goods' origin for goods exported from Bhutan. Currently, Bhutan and India pursue the MFN arrangement or free trade arrangement wherein tariff is not imposed on goods exported from Bhutan to India. The goods imported from India to Bhutan also receive favourable treatment. The tariffs imposed on goods imported from India are much less than those imposed on goods imported from countries other than India.

Prior to 1960s there was no formal trade arrangement between India and Bhutan. The first trade agreement was signed between India and Bhutan in 1972 by B.S Das[10] and HRH Prince Namgyal Wangchuk[11]. The central theme of this trade arrangement was free trade and commerce between the territories of the Government of India and of the Royal Government of Bhutan.

On July 28th, 2006 an agreement on trade, commerce and transit between Bhutan and India was signed by Lyonpo Yeshey Zimba, Minister for Trade, Royal Government of Bhutan, and Kamal Nath, Minister for Trade and Commerce, Government of India. This agreement reinforces and strengthens free trade between India and Bhutan. Article V[12] provides that all exports and imports of Bhutan to and from countries other than India will be free from and not subject to custom duties and trade restrictions of the Government of the Republic of India.

Historical relation

Historically, Bhutan pursued a policy of self imposed isolation and was a subsistence economy, so its cross-border trade was limited in volume. Bhutan had very little trade and it was mostly with the autonomous region of Tibet, China and India (particularly West Bengal and Assam). Bhutan's trade and international relations took a new dimension with the visit of the Indian Prime Minister Pt. Jawaharlal Nehru in 1958. After that visit a 179 km national highway was constructed between Phuentsholing (the border town) and the capital city, Thimphu in 1962 with assistance from the Government of India. This

was the beginning of strong economic and political ties between Bhutan and India. Bhutan's first five year plan was launched in 1961. Bhutan signed several treaties with India including the treaty on Indo-Bhutan Trade in 1972. The history of relations that Bhutan share with India has influenced its trade and trade arrangements between the two countries.

Government of India (GoI) assistance

Table 5 shows that India continues to be the largest development partner of Bhutan. Planned development efforts in Bhutan began in the early 1960s. The First Five Year Plan (FYP) of Bhutan was launched in 1961. Since then India has been extending financial assistance to Bhutan's FYPs. So far, nine Five Year Plans have been completed. The level of assistance Bhutan receives from government of has always indicated India's commitment to the development of Bhutan, which has naturally influenced Bhutan's trade and trade agreements with India. Although the share of Indian government contribution to Bhutan's five year plans is decreasing owing to contributions from other bilateral and multilateral donor agencies and increase in the country's domestic revenue, the volume of government of India's contribution has been growing rapidly. The government of India provided Nu.100.72 million in the first five year plan in 1961-66. In the current (10th) five year plan the Indian government has provided Nu.34,000 million excluding the assistance for turn-key projects.

Table 5: Five Year Plan allocation and GoI assistance (Nu. in Million)

Year	Total Allocations	India's Contribution	Growth	% of India's Contribution
	BTN	BTN		
1961–66 [1st Plan]	100.72	100.72		100.00%
1966–71 [2nd Plan]	200.22	200.22	99%	100.00%
1971–76 [3rd Plan]	470.52	420.66	110%	90.00%
1976–81 [4th Plan]	1,100.62	850.3	102%	77.00%
1981–87[5th Plan]	4,440.05	1,340.00	58%	30.20%
1987–92 [6th Plan]	9,500.00	4,000.00	199%	42.10%
1992–97 [7th Plan]	23,500.00	7,500.00	88%	31.90%
1997–2002 [8th Plan]	40,000.00	10,500.00	40%	26.00%
2002-2008 [9th Plan]	89,000.00	26,100.14	149%	29.33%
2008-2013 [10th Plan]	148,000.00	34,000.00	30%	23.00%

Source: Indian Embassy in Thimphu. Excludes assistance for mega projects like Chukha, Kurichu, Tala and Punatshangchu hydropower project.

Hydropower cooperation

Bhutan has huge hydropower potential. Economic benefits deriving from future hydropower development is secured under the Indo-Bhutan Agreement for long-term development of hydropower, which will further strengthen the economy to make Bhutan more prosperous and self-reliant than before. Today, the sector continues to drive the economy and contributes close to a quarter of GDP and around 40% of the total national revenue.

Hydropower in Bhutan is developed through assistance from the government of India (GoI) on the provision of buying back the power at a price which is negotiated rather than market based. India has a huge deficit of power and will continue to increase with growth of its economy while Bhutan is blessed with abundant hydropower potential. This makes the two countries development natural partners. Chukha Hydro Power Corporation (CHPC) with a capacity of 365 MW, the first hydropower cooperation in Bhutan, is a result of strategic union between the two countries in the hydro power sector. It was set up in 1984 with grant and loan from the government of India. CHPC was followed by Kurichu and Tala hydropower projects, and later by Punatsangchu hydropower project (which is under construction). Cooperation continues between the two countries for developing more hydropower projects in the future.

Trade between India and Bhutan was driven primarily by hydropower projects as most of these projects were built with assistance and loan from the government of India. This means that the import of goods and services related to hydropower projects was mostly from India. Moreover, the power generated in Bhutan is being exported to India. Therefore, the development of more hydropower projects in the future will further increase the trade -- both import and export -- with India.

Food security

Although in the past Bhutan was a self-sustaining economy and did not rely on import food items for food security, over a period of time, the consumer basket has changed and the livelihood portfolio of Bhutanese households have changed too. Rahut (2011) has highlighted the role of trade, particularly with India, in rural development for food security in Bhutan. The Food Corporation of Bhutan (FCB) has special arrangements with the Food Corporation of India (FCI) that enables import of food and other essential items from India to Bhutan. Moreover, the import of food items from India to Bhutan are not-restricted and not taxed. Recorded figure shows that the import of rice has increased from Nu. 317.8 million to Nu.721.7 million (see Table 6). Besides, a majority of the import of food items are not recorded.

Table 6: Imports of rice from India (only recorded)

Year	2004	2005	2006	2007	2009
Imports (Nu in million)	317.8	419.5	472.12	544.5	721.7

Source: Trade Statistics, Department of Revenue and Customs

Macro-economic stability

Bhutan follows the fixed exchange rate regime by which the Bhutanese *ngultrum* is pegged with the Indian rupee. Given the size of the economy and the manpower available, Bhutan is not in a position to have an exchange rate regime other than the one in relation to the Indian rupee. Given Bhutan's geographic location and the size of its economy, Bhutan cannot afford to go for pegging with a basket of currency. Therefore, in order to have a stable macro-economic situation Bhutan should concentrate on trade with India. In Bhutan's northern border are the high Himalayas; so trade with China is not able to grow. Bhutan's access to the rest of the world is through India as the country's southern foothills provide passage for road transportation. Given the proximity to India, it is easier and cheaper to import from

India than from other countries, if goods are available in the Indian market. The following points of entry enable trade flow and and exit of goods and services between Bhutan and India: 1) Gelegphu Gate; 2) Lhamoi Zingkha; 3) Phuentsholing Gate; 4) Daifam; 5) Phuntshok Rabtenling Gate; 6) Rinchenthang Gate; 7) Samdrup Jongkhar Gate; 8) Bindoo; 9) Gomtu; 10) Jitty; 11) Pugli; 12) Samtse Gate; 13) Sipsoo; and 14) Trashijong.

Bhutan's sources of earning convertible currency are tourism, foreign assistance and export of processed fruit products to Bangladesh. For Bhutan to be able to increase its import from countries other than India it must earn foreign currency. But at this stage Bhutan does not have huge volumes of goods and services that can be exported to countries other than India. With the little foreign currency earnings that it has, Bhutan is able to service its debt and imports from countries other than India.

Bangladesh-Bhutan trade agreement

The Royal Government of Bhutan and the Government of the People's Republic of Bangladesh signed a trade agreement to maintain and further strengthen the existing cordial relations and spheres of co-operation between the two countries. Both the governments are convinced about the benefits that would accrue to their peoples as a consequence of expansion and diversification of trade and commerce between their territories.

The objective of the agreement is to explore and undertake all measures necessary to promote, facilitate, expand and diversify trade between the two countries. Both Bhutan and Bangladesh accorded each other the Most Favored Nation (MFN) treatment in respect of issue of licenses, customs formalities, customs duties and other taxes, storage and handling charges, fees and charges of any kind levied on export and import of goods exchanged between the two countries.

Trade between Bhutan and Bangladesh is facilitated by proximity and long history of positive relations between the two countries. Imports from Bangladesh include textiles, melamine products, among others, and exports to Bangladesh include stones, dolomites and agricultural products like oranges, apples and other agro products.

Bhutan and WTO

On 24th August 1998, Bhutan was granted observer status at the World Trade Organization (WTO) and the Royal Government of Bhutan submitted an application for the full membership to WTO on October 6, 1999, which was accepted by the WTO General Council. The Memorandum of the Foreign Trade Regime (MFTR) was submitted to WTO in February 2003.

Given Bhutan's small size and population, the WTO member countries would be more interested in services than goods from Bhutan. Bhutan can provide opportunities to the WTO member countries in the areas of tourism, education, health, among others. However, Bhutan should also understand that it will benefit more from joining the WTO by tapping the potential opportunities that are available. Bhutan's entry into WTO would increase investment as it can provide political stability and access to abundant hydropower. Increased investments will increase the growth of the private sector and employment opportunities for the Bhutanese. This is the only way that Bhutan can become competitive and provide better economic, social and political future to the Bhutanese population at large. Since the

Bhutanese market is small, the only way for Bhutan to prosper is to become outward oriented policy and WTO accession would provide a platform for Bhutan to become more connected with the rest of the world and find a place for its goods and services. Bhutan could find its niche market for its product in the international market, which would in turn generate revenue and employment in the country.

Joseph Stiglitz (Wangdi, 2010) had a different opinion about Bhutan's membership of WTO. In a gathering in Thimphu Stiglitz remarked that the WTO was not a fair trade regime, but a managed trade regime of some corporate interest groups. In an exclusive with *Business Bhutan* Professor Stiglitz asserted that Bhutan in its currently agriculture dependent state would lose out by joining the WTO (Lamsang, 2010).

Kuensel (2008, 4 December) reported that going by the progress that had been made in the negotiations till then, Bhutan could join the World Trade Organization by 2009, a view shared by the WTO multi-sectoral team at that time. No progress in this direction has been made and Bhutan's accession WTO remains to be seen.

However, the cost of transportation would make it difficult for the agricultural and other products to be exported from countries other than India. Instead of trade barrier, there are other means to check the import of good that are not conducive to the economy. It is also important that Bhutan should not subsidize the inefficient industry and production process as this would create more damage to the economy than good. As highlighted above, given that Bhutan is a tiny market, it does not provide incentives for the big international firms to venture into Bhutanese market. Even the Bhutanese firms will have to look for Indian and other international markets for its goods and services. Due to economies of scale, Bhutan will have to depend on India and other countries for large number of goods and services and Bhutan could take the advantage of the economies of scale on certain products by integrating itself with rest of the world and particularly with India as India is a huge market with a growing middle class.

Conclusions

India is Bhutan's major trading partner with over 90 percent of goods exported to and over 75 percent imported from India. Electricity contributes to about 50 percent of the total export and imports are basically driven by goods for investment in infrastructures like hydropower, roads and construction. Geographical location, historical ties, hydropower potentials, and assistance from the government of India have been the major determinants of trade between Bhutan and India

Since Bhutan came out of its self-imposed isolation, it has transformed itself from a self-subsistence and closed agrarian economy to a trading nation with high a degree of dependence on trade. The trade openness index was estimated to be around 75% in 2005/06 and reflects the Royal Government's commitment to a liberal trade policy (Tenth Five Year Plan, Vol. 1). During the last decade the trade sector has been the largest contributor to the national revenue of Bhutan.

Exports have grown rapidly but the country's trade deficit continues to widen due to an even faster growth in the value of imports owing to the huge investments made in hydropower and infrastructure development. During the last decade Bhutan has consistently been an import dependent economy with imports exceeding 60% to 70% of GDP. The export portfolio both in terms of products and markets is very narrow with the top ten commodities accounting for over 80% of the total export values and

with 94% of these exports bound for India (Tenth Five Year Plan, Vol. 1). Given their proximity, the ngultrum-rupee parity, hydropower cooperation, the export and import denomination in Indian rupee, and the acceptance of Indian currency as a legal tender in Bhutan, India will continue be the Bhutan's major trading partner. Also, the share of hydropower in the overall trade of Bhutan is over 40 percent and it will continue to rise with the addition of every new hydropower project.

Although the government recognizes trade as a tool for economic growth and poverty alleviation, Bhutan's ability to diversify its export destinations is constrained by the its limited forex earning capacity. The Bhutanese forex currency reserve is built through the inflow of foreign aids and grants and high value, low volume tourist inflows from countries other than India. Bhutan's foreign exchange reserve is just enough to cover 14.3 months of import of goods and services. However, with government's plans to increase the number of tourist to 100,000 by next three years combined with the card acquiring business, the forex revenue through tourism will increase by more than three times. As a result, Bhutan will have more forex reserve to import goods from countries other than India. However, Bhutan should also look at the possibility of exporting energy and exotic vegetables, fruits, flowers, and medicinal plans to countries other than India at higher price.

Given Bhutan's small domestic market and narrow trade portfolio in terms of product and market destinations, the royal government's trade policy should focus on diversifying exports and trading markets through securing better integration into regional and international trading regimes.

Notes

1. This paper was first prepared for presentation in a conference   organized by Institute for South Asian Studies, National University of Singapore on "Trade Policies in South Asia and Southeast Asia: Encouraging Regionalism 20 October 2010".
2. It is situated in the eastern Hindu Kush Himalayan range and is surrounded by Autonomous region of Tibet China and Indian states. Bhutan is governed through three levels of administration -- the central government agencies, district administrations, and block administrations. The country is currently divided into 20 districts (Dzongkhag), which are further divided into blocks (Gewogs) Bhutan National Human Development Report, 2005).
3. Poverty Assessment Report 2003 and 2007 by National Statistical Bureau of Bhutan
4. Bhutan, Country Strategy Paper 2007-2013
5. Labour Survey 2004-2010, Department of Labour, Royal Government of Bhutan
6. Rahut et al 2011, Performance of Financial Institution in Bhutan, IDE Discussion Paper 256.
7. First SAARC summit was held in Dhaka on 7-8th December 1985 and the Charter was adopted establishing the organization of South Asian Association for Regional Co-operation (SAARC).
8. http://www.saarc-sec.org/userfiles/saftaagreement.pdf.
9. A customs union is a type of trade bloc which is composed of a free trade area with a common external tariff. The participant countries set up common external trade policy, but in some cases they use different import quotas.
10. B.S. Das was the then the Representative of India in Bhutan, (Ambassador extraordinary and plenipotentiary)
11. Minister for Trade and Industry, Royal Government of Bhutan

12. http://www.infodriveindia.com/Exim/Trade-Agreement/India-Bhutan-Free-Trade-Agreement.aspx

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Academic Work in an Autonomous Royal University of Bhutan: Challenges and Responsibilities Regarding Research

T.W. MAXWELL

Abstract

The recent autonomy of the Royal University of Bhutan brings with it many challenges and responsibilities. Some parallels are drawn with Australian experiences. I argue that a key challenge is the introduction of research as one of three categories of workload for academics where previous custom and practice included only teaching and service. A related challenge is the inclusion of the academics' own and others' research in the teaching and learning process. These changes will have an impact on policies and practices, notably the nature of academics' work and their promotion. A variety of ways to support RUB academics' research is presented.

Introduction

Autonomy, such as has been achieved recently by the Royal University of Bhutan (RUB), brings with it many challenges and responsibilities. Upon its formation in 2003, RUB began the process toward autonomy by slowly de-coupling the various federated colleges and institutes from the Ministries which they had previously served. Although some relationships were retained, such as the combined membership of the two Colleges of Education with the Ministry of Education in the Teacher Education Board, the de-coupling meant that Colleges and Institutes had the responsibility for setting their own directions while remaining consistent with RUB's policies such as the *Wheel of Academic Law* (RUB 2008). A key new direction was the movement toward becoming research oriented.

The second of two objectives set out in the Royal Charter to establish the Royal University of Bhutan states:

> The University shall … promote and conduct research, to contribute to the creation of knowledge in an international context and to promote the transfer of knowledge of relevance to Bhutan (RUB 2008, p. 3).

Here RUB is clearly aligning itself with the objectives of the research university as it is understood in the West. This was further evidenced through the appointment of a Director of Research within the Office of the Vice Chancellor (OVC) in Thimphu in 2005 and the statement from this Directorate which says:

> The University is committed towards building the capacity of the colleges and faculty in carrying out research studies that promote informed decision making, improved public service delivery and enriched lives of individual citizens (RUB 2011). However, the take up of the research imperative has been slow.

A university has particular responsibility for research leadership to support the development of the country. This is a key reason why the development of research capacity is important to RUB and a reason why RUB should support staff to become researchers and develop its own PhD. While it might be argued that the development of an RUB PhD is premature, Government pressure is such that research Masters

and PhD degrees are already on the drawing board. PhD regulations with strong entry requirements, eg Masters by research or equivalent, and supervision requirements, eg, no Masters graduates supervising PhDs[13], together with small entry numbers over the coming decade, will complement the current and no doubt continuing trend for scholarships to be won to "go out" to achieve these awards. In its teaching and service RUB has the key responsibility of leading graduates into an uncertain future, one in which received knowledge of the past will be necessary but not sufficient. Already RUB has a well developed quality assurance process for course development through its "Approval and Review of Programmes in the *Wheel of academic Law* (RUB 2008, pp. 126-154). Notwithstanding these safeguards, RUB, being the only university in Bhutan, runs the risk of becoming inbred in the longer term although this problem seems less likely in a globalised world.

In its desire to become a recognised university in the Western sense, RUB will need to meet the important challenge of developing research in each of its member colleges/institutes. Previously their work had a teaching and service orientation. At the time of RUB establishment some, perhaps most, RUB institutions did not have any staff with doctoral qualifications. Such knowledge and skills are being built but will take time to have an impact. Human capacity building as well as the provision of resources, especially in the area of electronic library resources (see below), has begun but will need to be continued. Linking research outcomes with teaching is also a priority since it is generally understood that good university teaching and learning is underpinned by (recent) research, particularly that of the lecturer involved, whereby enthusiasm for the research is translated into stimulating presentations and workshops. Thus the role of academic staff in RUB will change since the nature of the work will change with the incorporation of research into the workload.

Even after its establishment, RUB remained under the umbrella of the Royal Civil Service Commission (RCSC) whose important role was the regulation of many of the conditions of civil ser-vants. Such regulations included pay rates, promotion and professional development. In 2011 this final link was severed and RUB became autonomous. So the responsibilities that the RCSC had previously covered were added to RUB's responsibilities.

Bhutan and so RUB cannot, and I suspect does not, expect the present levels of funding from outside to continue. Indeed some NGOs are already indicating that there are greater priorities elsewhere (eg Sub-Saharan Africa). Competitive grants will remain yet an autonomous RUB will become more dependent upon Government for its capital and current costs. Although RUB may aim for some funds from outside government it is realistic to assume that most funds will be from government in the short term. This is not to say that a future goal of raising funds through, for example, obtaining fees from international students is not a worthwhile goal but first the quality of programmes and the status of the university have to be built up.

In this article I explore some of these issues. In doing so I point to the nature, purposes and practices of research undertaken in universities. I discuss the importance of the teaching role and then the relationships between research and teaching. The third pillar of the academic role, service, is then linked to the former two. Challenges to establish research as part of the workload are also discussed together with some initiatives to overcome these challenges. Finally, responsibilities of a newly autonomous uni-versity are discussed. But first I turn to lessons from elsewhere.

Becoming autonomous: Lessons to be learned

The challenges of the introduction of research into a largely teaching environment have been faced before. In Australia, from 1989, the amalgamation of the Colleges of Advanced Education (CAEs) with the university sector took place. CAEs mostly had a teaching/service role. Incorporating a research role proved to be difficult for many staff as in the CAEs no research culture was evident and many did not have the skills to undertake research.

I was a staff member of the Armidale College of Education (ACAE) when its amalgamation with the University of New England (UNE) took place. A key difference in the amalgamation of the staffs was the role of research in the academic workload. Again, looking at this same issue in another way, in comparison UNE staff had developed skills to ensure that research was included as part of their daily activities (as well as having the research skills and interest) whereas most if not all former ACAE staff found this extremely difficult, They were used to concentrating all of their time on teaching and service. Putting this yet another way, former ACAE staff did not experience a research culture as was evident at the university. As a consequence, many former ACAE staff could not, in the early years, achieve promotion against UNE promotion criteria which included research outcomes. Support was needed. Unfortunately, capacity building was not handled well after amalgamation: professors were employed but their mentoring role was not effective and few remained employed at the University for a sufficiently long enough time to make an impact. However, many former ACAE staff worked part-time to obtain their doctorates (Maxwell 2009). Despite the pressure to undertake research at UNE, in fact two decades later there remained a small number of staff in Education who did not contribute to the research effort.

The RUB member colleges and institutes were not amalgamated in a similar fashion to that just described. RUB has adopted a federated structure with some devolution to the Colleges/Institutes. Yet similar demands are clearly there: RUB has given itself the goal to become a university in the full sense of that word (in the Western tradition) and that means staff undertaking research. The fact that there will be no opportunity for mixing of staff who had previously worked within a research culture, as in the ACAE/UNE amalgamation of education faculty, may well mean that establishing a research culture and building skills in each of the RUB colleges and institutes may prove more difficult. Ameliorating this is the increasing numbers of RUB staff who have gained research qualifications in the West.

Academic work in the Western university

Teaching, research and service are separate but related categories of academics' work the world over. These three define the nature of academics' work and as such are normally the key categories for promotion. Many Western universities regulate the quantities of these three work categories in as much as they can be regulated. Undergraduate awards form the mainstay of university teaching but research Masters and Doctoral programmes make a contribution to teaching load and to research output. Academic staff can provide service to their own organization but many are invited locally, regionally, nationally and internationally to provide a service based upon their knowledge and expertise.

Research

The research of a university is contributed by academic staff but also by postgraduate students. The quality and quantity of the research contributes most to the prestige of the university. In addition to discovering new knowledge, research can include the integration of new ideas and finding new ways of application of ideas (Boyer 1990).

Generally, Western academics are free to choose whatever they wish to research. In practice, in some fields more than others, research requires funds and for this grants are available. Grants are usually competitive and the focus of the research is generally determined by the funding agency. For example, one of the Australian Government's research grant bodies is the Australian Research Council (ARC) whose grants are eagerly sought after. Perhaps one in five applications are successful. The ARC has certain areas which it supports over others as a matter of Government policy. On the other hand, in many areas research can be done without funding but with inkind support from the College or Institute.

Researchers worldwide are encouraged to publish their work. As well as books there are over 35,000 journals that can be used for this purpose. Journals too are competitive. The most prestigious have a rejection rate as high as 80-90%! Good journals have a blind peer review process, called refereeing, that is intended to ensure the standard of the journal is maintained. More recently many journals have incorporated an "impact factor" which is perhaps a more useful index for Bhutanese researchers striving to do research that makes a difference. Western academics generally understand that publishing their research is a key indicator that they are producing research outcomes.

Publications can be used as evidence of quality and quantity and so can contribute to promotion. As far as quantity goes. the rate of publication varies by country, university and field of study. Considering the position of RUB , a new university in a developing country, a junior academic might be expected to publish at least one (refereed) journal article per year and more would indicate potential for promotion. The same junior academic might be part of a team in a larger research project and/or have successfully obtained funding for a small research project from sources internal to the university. At the more senior end, a professor might be expected to publish perhaps six articles per year and some would need to be in prestigious journals. A professor would also usually be the leader of a research project or projects supported by an externally funded competitive grant or grants. Professors generally have an international reputation in their field and are expected to mentor junior colleagues. Government is usually the source of research funding against Government priorities.

All staff have a contribution to make to the development of research. Professors are often the leaders in this. Even administrative staff make their contribution through the facilitation of academics' work. The accumulated patterns of behaviours and the beliefs that underpin them create a particular culture of research in an institution. Such cultures are evident in many highly productive research institutions. A culture supportive of research has not yet developed in the Colleges and Institutes in RUB.

A strong research culture fosters good research. In a strong research culture it is normal for people to talk about their research projects and to show interest. Any country needs good researchers to discover new ideas, to identify new relationships amongst ideas and also to find new applications. Research thus enables countries to keep abreast (or ahead) of developments elsewhere and potentially provide a direct impact upon a country and the well-being of its people.

Research cultures within universities support the research of staff but also of postgraduate students. Doctoral study is a major undertaking as it involves successfully addressing questions of significance. Often significance is derived from the gap in knowledge. But also the issue of significance can rest on its shown importance to the society at large, for example, reasons for crop failure or the impact of the policy of Gross National Happiness (GNH) in school classrooms. It is for these and other reasons that Western governments support research in their own countries. Western countries provide scholarships and research grants to achieve the ends that are important to them. In the West these grants and scholarships may well be intended to assist growth in the Gross National Product (GNP). While governments have their own agendas for supporting university (and other) research so too do universities. As mentioned above, it is the quality and quantities of research produced by a university that creates its status.

Teaching

Teaching in Bhutan has been to many students and academics the transmission of prior knowledge (see Gyamtso & Maxwell 2012). In a Western university this is only partially the case. What to teach is also imbued with new discoveries, new relationships and applications of ideas that test and often go beyond prior knowledge. Moreover, teaching and learning in many Western universities encompasses a process which allows the construction of knowledge by learners in terms that they understand, rather than an unchallenging acceptance of the specific form of words from the teacher. Thus much university teaching and learning is a *combination* of 'old' and 'new' knowledge and uses learner-centred approached mixed with teacher-centred approaches.

Postgraduate programmes vary in the amount of their teaching. Some can be completely taught, e.g. a Masters by course work, wherein the programmes add to the store of knowledge, skills and attitudes of learners and are often used to change career direction. Others contain taught courses with a relatively small research project (25-33%, Masters by research). Masters by research programmes create opportunities to undertake small research projects for the benefit of the individual and society and can also potentially be a prerequisite for doctoral study. The American and European models of the PhD have a major research component with a smaller taught component (about 25-33%). These programmes compare with the traditional British PhD model of 100% research though it needs to be noted that in the UK and Australia this model is breaking down with some coursework included depending upon the student's needs (see Neuman 2004). There are also the Professional Doctorates which, broadly, cover research in workplaces (see Maxwell 2011 for an Australian perspective on this issue).

The relationship between teaching and research

As mentioned above, it is generally thought that teaching using one's own research means that teaching is imbued with an enthusiasm generated by sharing one's own discoveries with students. That is, in many, if not all, Western universities it is accepted that the academic's and others' research informs the teaching/learning cycle. There are two immediate consequences: (1) academics need to be creative in the ways in which they include research in their teaching. Additionally, this implies that module and course reviews need to be seriously undertaken to incorporate recent research. (2) It is incumbent upon academics to be "up to date" in their field. This requires that the local university college/institute has the

resources to give academics access to the latest research in the field in which they teach. Unfortunately this is not presently the case in most fields in Bhutan although access to one electronic database has recently become available.

Doctoral study shows a particular kind of relationship between teaching and research. In a Western university successful doctoral study provides the license to undertake further (unsupervised) research and indeed to supervise others' research. The student's supervisor, or supervisory team, under-takes the responsibility of the student's teaching and learning about research within the doctoral pro-gramme. Key ideas to learn include the argument for establishing significance, the clear articulation of the research question(s) and their relationships to what has gone before (the literature). Research design and methodology, as well as the data gathering and their analysis, leading to a rational set of conclu-sions to the questions asked based upon the data also have to be learned. As well as the way of writing in the academic genre, many other skills have to be learned especially including what constitutes ethical behaviour during research.

Service

Service by academics as part of their work in universities is underpinned by the idea that they have some-thing to contribute to others. This 'something' includes their knowledge, skills and attitudes generally in a field of study that has taken place over some period of time. Often the academic's research contributes greatly to the service role.

The recipients of service are people and institutions. Such people may be in one's own country or outside. Such institutions may include the academic's own as well as those universities within their own country or outside. Service includes administrative support at different levels within the university where the academic works. This may be in the form of formal positions, such as active membership of committees or their leadership, through to the informal mentoring support of (junior) colleagues. Other institutions may be involved such as NGOs as well as less formally constituted groups such as a learned society.

Promotion through meritocracy

These three categories of work (service, teaching and research) are balanced differently by academic staff depending upon a range of factors. Never-the-less, promotion within Western universities is usually achieved via evidence that outcomes have been achieved in all three categories. It is incumbent upon the academic seeking promotion to provide this evidence consistent with the level of promotion being ap-plied for. Thus an application for professor (in the British and Australian traditions) will contain different evidence in quality and quantity than that of application for more junior member of staff. Most if not all Western universities would publish criteria which they would expect academics at the different levels to be working at or to which they can aspire. This process is in stark contrast to promotion by seniority (age/experience). In the West, promotion can also be achieved by applying for a position at another university which would publish criteria for the position and against which applicants would be judged. Thus ap-plicants would be well advised to provide evidence of achievement covering the published criteria for the position.

Becoming autonomous: Challenges

A broad challenge is to develop RUB into a respected university on the international stage. Respect and prestige go together and these are largely developed through a strong research emphasis in the working lives of academics. As I have argued above, this is supported by a college/institutional culture that facilitates quality research. Good teaching and service are largely presumed. However, given the current resources available, it is most likely that RUB will select research priorities into which present meagre resources can be placed rather than spread resources more thinly. Certainly this approach is common in the West where scant resources are disbursed according to university policy decisions. Four conspicuous areas for research in Bhutan include (1) in the social sciences (including education) concerning the nature of GNH and the impact that it has/can have on peoples' lives, institutional practices and policy imperatives; (2) traditional medicine; (3) flora and fauna of Bhutan, and (4) Buddhist cultural studies. As the quality of research reaches an international standard these areas are likely to attract postgraduate students from outside to do research. Further, as a leader in society, RUB might encourage research into current social issues such as youth-related concerns and those related to the issues faced by developing societies and those facing rapid change.

Another challenge is directly associated with the RUB as an autonomous institution. RUB and community leaders need to foster norms about the acceptability of challenging the ideas of others, even those more senior, and those of government. Arguing strongly, based upon evidence, is the hallmark of a vibrant university body politic. Related to this is the problem that many universities face: to get policy makers to listen to researchers. Related to this is researchers' ability to cast their results in a form that policy makers can understand. Governments support universities and expect university staff to undertake research because research helps achieve the country's potential and goals. This is especially crucial in Bhutan where getting value money is critical.

Research culture

Although the broad agenda is reasonably clear how to achieve it is less obvious and fraught with difficulties. A clear imperative is to make efforts to shift the cultures of the colleges and institutes more toward research. Along with a cultural shift comes the building of research capacity. How can these be achieved? A number of points to address this question are considered below. They are related even though they appear under different headings.

Research culture development

A research culture is concerned with the way of life of those in the organisation in relation to research activities. It is about the shared values, meanings, *mores*, customs and practices associated with research in the college/institute. A research culture can be influenced by the social, cultural and economic events of the time and this is precisely what RUB needs to do. Universities need to nurture a culture that is more supportive of research. *Emphasising* research production causes changes in the academic culture which involves changing attitudes and learning new skills. In a positive research culture academics show interest in and support of their colleagues' and their students' attempts to complete a research process

and write the results for publication. Thus, networking within the college/institute and the RUB more broadly is hugely important as it facilitates the spread of ideas, and receipt of feedback on one's work. Mechanisms to achieve this kind of networking include regular presentations and informal (brown bag) lunch meetings where research is discussed.

In these and other activities the role of the Director of the College/Institute is critical in the development of a research culture. Making funds available for small research projects and the provision of electronic resources in the library are typical. The Director has clear leadership responsibilities to create the environment in which research can flourish. The Director will emphasise the importance of research to academics individually and to the College/Institute as a whole. Nurturing some staff and prodding others will be required.

Finding time for research

At two seminars held in August 2011 at Samtse and Paro Colleges of Education I set out some of the ideas above. In both seminars the lack of time was mentioned as a great barrier to completing research. It is indeed a barrier as shown by staff at ACAE more than 20 years before (Maxwell 2009). Samtse, Paro and Armidale colleges had a long and proud history of providing teachers for schools. Changes meant that old ways were being threatened. New ways of arranging work were needed.

The problem can be viewed as the need to change a teaching culture into a research and teaching culture. Even if an academic believes that research is important, time still has to be found to undertake it. Below are some ways to create time for research. However, it should be noted that the first two suggestions require that students entering colleges/institutes have developed habits of working productively on their own in secondary school. This may take some time but it can also be encouraged in RUB. The thrust of the suggestions are toward quality but in order that students work consistently (until ownership of learning becomes the norm) then some attention to continuous tasking may still be required.

- Review carefully the number of assessment tasks in modules. This is a contentious issue. For a 120 hour module, two perhaps three high quality tasks covering outcomes/objectives are all that are required. More than this is over assessing. I talked to one (RUB) third year BEd (P) student. He had more than fifty assignments to complete in the semester and that means in 12-13 weeks of real time. In my experience it is not possible to complete *quality* assignments if this number is required. Less in number but a demand for quality means that care can be taken by the student. It also means that the academic can give quality feedback in a timely manner (Hattie & Timperley 2007) yet, overall, spend less time on assessment. These are similar to the kinds of requirements of Western universities these days, but as noted above, may take some time to achieve in RUB colleges/institutes but the direction is there;

- "Over teaching" can be a problem. Face-to-face contact can be three hours per week – something like one hour lecture and two hours workshops/seminars. Over teaching takes the responsibility away from the student to learn. Importantly, too, more preparation is needed by the academic and this means less time for research. A review of face-to-face contact can be productive especially where this face-to-face contact is "vessel filling";

- There are times when there is less pressure on academics. This is particularly the case in my experience in Australia where time can more easily be found at the beginning, at the end of semester and in semester breaks. More focused research can be done since blocks of time can be found;

- In Australia we have four weeks annual leave and about 26 weeks of teaching. We also have service to our College/Institute, the university and to our profession. I have developed a rule of thumb that *about three tenths of academics' time over the academic year* should be directed to some form of research. This time can also be used by academic staff to gain research awards part-time;

- Make annual leave about four weeks. Are cultural demands on academics' time part of annual, sick or special leave? Ensure academics' attendance, within reasonable expectations, is 9am-5pm; and

- Some academics in the West use their own time to engage in research. By this I mean that they work beyond the usual work times of 9.00am-5.00pm. This may put them at an advantage compared to other academics but the downside is a potential loss of life balance.

Each separately or in combination can "find time" for academics to undertake research although, as I have noted above, the first two suggestions need to be addressed with some care.

Common practices to assist research development

These practices are underpinned by the idea that research is an essential part of the workload for university academic staff and include:

- Leadership in research by senior scholars mentoring those less experienced in writing grant applications, in conducting the research projects and publishing results is essential. However, RUB has very few senior academics who can undertake this role at the present time. It would be useful if ways could be found to encourage senior academics friendly to Bhutan to work in RUB, eg, to encourage them to take sabbaticals in Bhutan or to undertake short term contracts. In each case the terms of reference would concentrate upon developing a research capacity. Already some of these strategies are being tried;
- Making available different levels of competitive research grants within RUB and also within each college/institute would be an encouragement for research. For example, Directors could set aside small amounts of money to be competed for by junior academics based upon the quality proposal idea. OVC could provide larger amounts to be competed for by senior academics across RUB. These would eventually lead on to more active researchers seeking international research collaborations and grants;
- Friendly countries offer a range of opportunities to develop junior and senior academics. For example, Australia has a range of scholarships for individuals and many RUB staff have already taken advantage of these in Australia. Additionally, Australia offers short term Fellowships and Executive Fellowships applicable in a wide range of fields;
- In my recent visits to Bhutan I have noticed an increased interest in research, how it is

done and how it is published (Maxwell 2006). Most of the interest comes from scholars who have been "outside". They can see the benefits for them and also for their country. Many of them would have experienced research cultures of different types and can build upon these to develop a unique research culture in their own institution;

- Making links with international academics when they visit or networking at conferences are other ways to build research output and capacity through collaboration. Networking was clearly evident at the 2012 International Seminar for Teacher Education held at Paro where more than 30 Paro and Samtse academics attended amongst 150 conferees;

- The inclusion of research as one of three areas considered for promotion is likely to add considerably to academics' interest in research. The RCSC method of promotion (length of service) will be replaced by a merit-based approach. This requires RUB to publish criteria for the different levels of academic staffing and develop committees to make decisions based upon the evidence presented to them by the applicant. Colleges/institutes will need to make expectations clear. These processes have already begun;

- Colleges and institutes should develop an equitable teaching load formula (see Maxwell et al 2008, 13-4) for staff who have the interest and aptitude to undertake research in addition to teaching and service;

- Colleges/institutes could recognise that current staff may not have the interest nor the aptitude for research leaving them with full teaching loads; and

- Administrative staff will be required to assist research development, for example, as well as handling paperwork, budgets and so on, identifying potential sources of funding.

Library provision

An efficient and effective library with up-to-date stock is assumed in a Western university. Just as a carpenter cannot build without a hammer, academics cannot do their teaching and research work without access to a good library. Over the last decade this access has come to mean individual connection to electronic databases of literature from their office. An illustration why access to electronic databases is so important in the context of research is the following. A researcher needs to know if the idea behind a research project has already been published, that is, "is there a 'gap' in the literature?" Without access to international resources the existence of a "gap" or otherwise cannot be known. Thus not to have a strong electronic database of resources is to place RUB researchers at a distinct disadvantage. As mentioned above, access to one quality electronic database for RUB academics has been achieved but anecdotal evidence is that it is not currently well used. Much work will need to be done if RUB academics are to do their work properly, that is, increased access and knowledge about how to use databases in teaching and research.

Capacity building

Professional development has been a key plank in the individual development of academic staff of Colleges and Institutes and this has continued under RUB. It will need to continue in terms of the quality of teaching (Gyamtso & Maxwell 2012) and for the development of research. As noted above, the development of RUB's own research Masters and Doctorates, together with the continuation of scholars

"going out" for these awards, will add considerably to research capacity. Especially important will be the development of capacity in research design and a range of research methodologies *including* those who already have PhDs. Research conducted poorly undermines the society's faith in the research community.

A related point concerns scholarships. Scholarships do stimulate research and scholars are expected to continue in a research career on gaining their award. There are dangers for Bhutan however. Unless the Government creates scholarships for internal consumption, as most Western governments do, several dangers arise. (1) Full time internal research candidates will have to rely on their own resources for living expenses (assuming Colleges/Institutes support research expenses). This is in direct contrast to support for undergraduate students and will limit internal research numbers. (2) Without scholarships, quality candidates will be lost to RUB as they gain scholarships from "outside" and potentially add to the brain drain. Additionally RUB might therefore be faced with candidates of lower quality. (3) Without internal scholarships, women of child bearing/caring ages will be disadvantaged.

Complementary to the idea of capacity building at the level of the individual is institutional capacity building. This idea has gained acceptance in recent literature following the work of Michael Fullan and others. In a recent study Namgay and I (2012) introduced the concept of the institutional zone of proximal development in order to explain why a particular project in Bhutan had been relatively successful. Although the concept has yet to be tested elsewhere, it could be a useful tool as leaders strive to build capacity of their college/institute.

Becoming autonomous: Responsibilities of academics

However, it would be misguided to think that the sole responsibility for research and its development rests with the leadership of the RUB Office of the Vice Chancellor and College/Institute Directors. All members of RUB share this responsibility especially academics. Responsibilities in terms of teaching were set out in the CULT Report (Maxwell et al 2008) as the Code of Practice for Teaching and Learning. The Code was subsequently endorsed by RUB's Academic Council and can be seen as a poster around Colleges/Institutes. A feature of the Code was that all levels – students, academics, Departments, Colleges/Institutes and the University – had responsibilities and rights concerning teaching and learning. A similar Code of Practice for Research can be developed. Supervision of research is a form of teaching and, in a Code of Practice for Research, matters relating to research can be addressed directly in a similar way that teaching and learning about research are covered in the current CULT Code of Practice for Teaching and Learning.

Conclusions

The recent autonomy of the Royal University of Bhutan brings with it many challenges. I have argued that a key challenge is to introduce research as one of three categories of workload as previous custom and practice included only teaching and service. Western universities, as a matter of course, do research and include their own and others' research in teaching. The development of a meritocratic academic promotion policy with guidelines and procedures at RUB that include research has already begun. When such a policy includes research outcomes as criteria for promotion, then research at RUB will be stimulated.

Several strategies were identified above which Colleges and Institutes might initiate to support the development and maintenance of research. RUB academics' custom and practice has been to use all available work time on teaching and service but this has to change. For example, ways were identified on how time can be found for research. Additionally I argued that greater access to high quality electronic resources in the libraries is essential if RUB academics are to publish their research in international journals.

With autonomy comes responsibilities. A Code of Practice for Research can be drafted similar to the CULT Code of Practice for teaching and Learning (see http://www.sce.edu.bt/cult.php). Responsibilities can be conceptualised at each level of the organisation - a mutual responsibility with complementary rights. In a newly autonomous institution quality rests with the staff interpreting the institution's policies. Quality research policies, guidelines and procedures are essential to be implemented as RUB intends to develop its own research Masters and PhD programmes in the short term. In doing so, and together with quality research outputs, the status of RUB can be raised and students, especially including those from outside Bhutan, will want to come and study at RUB.

Notes

i.   By 2014 RUB is expected to have 20 PhDs spread across four colleges/institutes.

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About the Author

TOM MAXWELL, PhD, is Adjunct Professor at the University of New England, Australia. Tom took part in the development of one of the earliest EdD (Doctor of Education) programmes in Australia and led its re-development in the late 1990s. He has led four teacher education consultancies in Bhutan. The longest one concerned capacity building in multigrade education (1997-2008). In 2008 he led a team to establish the Royal University of Bhutan Centre for University Learning and Teaching (CULT). Tom has undertaken other international education consultancy work in Pakistan, Vietnam, Cambodia and East Timor, as well as in Uganda and Zambia. In 2008 Tom was awarded an Australian Teaching and Learning Award Citation which read: "For a decade of national and international leadership in innovative curriculum development and research in more professional, workplace-oriented teacher education." Tom's more recent publications have focussed upon doctoral education as well as teacher education. Over the last ten years he has supervised 12 postgraduate research projects in teacher education and currently has four students undertaking PhDs in this area. Tom retired in July 2010 and was made adjunct professor later that year. He now lives with his partner in beautiful Coffs Harbour, NSW.

Growth Crisis in the Bhutanese Agriculture Sector: An Exploratory Analysis of the Causes

SANJEEV MEHTA

Abstract

The sharp deceleration in the growth of the agricultural sector in general and food grains in particular at the backdrop of an impressive growth of the overall economy is a cause of concern as it is widening income disparities and regional imbalances. It also adversely affects the welfare of the majority of the population, which is dependent on agriculture. This paper examines the trend in agricultural growth and factors underlying the slowdown and explores ways to bring about acceleration.

Introduction

The process of development plans has moved the Bhutanese economy on to a higher growth trajectory. The long term growth rate of gross domestic product (GDP) has consistently increased from 7.3% p.a. in 1980s to 8.3% p.a. in the first nine years of the present century[14]. Acceleration in the GDP growth rate appears much more substantial if we compare the present growth rate with almost a stagnant economy prior to 1960. The challenge for the rapidly growing economy comes from the sectoral composition of the growth. Agriculture sector which contributes to about two thirds of total employment in Bhutan has been rapidly decelerating since 1990. Poor performance of the agriculture sector at the backdrop of steep acceleration in the long term growth rate of GDP is a major cause of concern. Differential growth rate is not a cause of concern by itself but because of its adverse impacts on the distribution of income and regional dispersion of the growth benefits. Within the agriculture sector, the most concerning issue is the actual decline in the production of major food grains. Decline in the production of food grain when population and income is increasing imply declining per capita food grain production and its adverse impact on food security. Higher GDP growth rates have been propelled by hydroelectricity and construction and both have a very narrow employment base consequently the benefits of the growth have not been equitably distributed. Rising inequality of the personal income distribution and also increasing regional disparities in the development level are due to this narrow base of economic growth. The development process has been dualistic as reflected by widening gulf between the agricultural and non agricultural sector. At the backdrop of this situation, this paper examines the growth pattern of the food grain production and the underlying factors contributing to the slowing down in the growth of the food grain production and explores possible means to accelerate its growth rate.

The study covers five major food grains produced in Bhutan- paddy, maize, wheat, barley and millet, constituting almost 90% of the total food grain production and 85% of the area under food grains. Because of their overwhelming importance, the trend captured through these crops would provide near complete picture of the food grain production in Bhutan. The study covers a

period of 27 years between the years 1982-2009. Further this whole period is divided into three sub-periods-1982-1992, 1992-2000 and 2000-09, on the criteria of a conspicuous break from the trend line.

This paper is divided in five sections- section two analyses the growth pattern of the agriculture sector since 1981, section three explores the factors responsible for the four looks into way ahead and section five provides summary of the findings.

Growth pattern of the food grain production since 1981

Deceleration in the performance of the agriculture sector is a major development challenge in Bhutan. This deceleration attracts greater attention mainly because it is coinciding with the time when overall GDP growth rate has accelerated substantially (see table 1). The ratio of growth rate of GDP to the growth rate of agriculture sector increased consistently from 1.48 in 1980s to 4.13 in 2000s and further to 5.77 in the second half of the last decade, implying increasingly marginal role that agriculture sector is playing in contributing to overall growth. Welfare effects of this trend is enormous - it contributes to increase inequality in the distribution of the income given two thirds of the working population is engaged in agricultural activities, widens the gap between rural and urban areas and stimulates high rural urban migration rate. Given this regressive trend, the tenth five year plan objective of reducing the poverty rate to 15% is unlikely to be achieved as it is based on the premise of growth target of 4% for the agriculture sector. The target growth rate is significantly higher than the trend growth rate in the last decade.

In the 1980s, the agriculture sector grew at a compounded rate of 5%, which declined to 2.5% in 1990s and further to 2% between the years 2000-09. In the second half of the last decade the compounded growth rate of agriculture sector further declined to 1.54%. The deceleration is also witnessed in the long term growth rates of all the sub-sectors of agriculture sector- crops, live stocks and forestry. Amongst the three sub-sectors of the agriculture sector, the agriculture proper recorded the steepest deceleration from 5.26% in 1980s to 2.21 in 2000s. This deceleration is a primary cause of concern as the agriculture proper sub sector contributes about 47% of the agriculture sector GDP. The primary role of agriculture primary sub sector is to ensure adequate supply of food grain to the increasing population. The production of five major food grain crops- paddy, maize, wheat, barley and millet recorded an absolute decline from 164,000 MT in 1982 to 142,000 MT in 2009. Further, the paddy and maize constitute almost 90% of the food grains produced in Bhutan. Though the production of these five food grain increased to 214,000 MT in 1990 but declined since then.[15] In 2009, the production of these five crops was only 66% of its 1990 level. Table 2 provides more detailed view of the growth rate of five major crops over different periods of time. Steep deceleration from 1980s standards and negative growth rates are the most conspicuous aspect of the growth process, which is very alarming. Bhutanese agriculture sector could not sustain the growth momentum of 1980s. This regressive trend is not good for the health of the economy for the reasons- reduced per capita availability of major food grains, increasing burden on foreign exchange (mainly Indian rupee) because of rising food grain import, adverse terms of trade, especially, in the face of rising food inflation and possible increase in the incidence of poverty.

Further, the disaggregated data at regional level suggests that such deceleration is experienced in a majority of the Dzongkhags.[16] Table 3 provides an illustrative example of paddy (which is true for maize too) that helps to explore the cause of deceleration in the production. It reflects that most of the Dzongkhags which have higher share in production experienced negative growth rate in the food grain production. This decline could not be compensated by higher growth experienced in the Dzongkhags which contributed a negligible share in the food grain production in 2004.

Decline in the growth rate of livestock sub sector from 4.6% in 1980s to 2.7% in 2000s is also matter of concern as it complements the income of the farm households. Growth rate of the forestry sub sector accelerated till the year 2000 but thereafter it decelerated very steeply. Decline in the growth rate of the forestry is probably due to increasing emphasis on reducing the exploitation of forest resources as a part of the policy effort to ensure sustainable development and to promote Gross National Happiness (GNH).

Table 1: Growth Pattern of the agriculture sector

Period	CGR* of GDP (in %)	CGR of agriculture sector (in %)	CGR of agriculture proper sub-sector (in %)	CGR of livestock sub-sector (in %)	CGR of forestry sub-sector (in %)	CGR of GDP/ growth rate of agriculture
1981-90	7.34	4.95	5.26	4.64	3.45	1.48
1991-00	5.51	2.55	1.71	2.08	3.71	2.16
2000- 09	8.36	2.02	2.21	2.69	1.78	4.13
2004-09	8.89	1.54	1.65	2.49	0.27	5.77

Source: Derived from different National Account Statistics, NSB   * compounded growth rate

Table 2: Compounded growth rate of food grain crops

Crop	1982-92	92-00	2000-09	1982-09
Paddy	7.26	-5.50	-0.52	0.51
Maize	21.25	0.32	-2.88	5.81
Wheat and barley	-16.91	-10.85	-0.01	-9.13
Millet	2.67	-10.05	3.67	-1.19
Total	**3.02**	**-3.67**	**-1.38**	**-0.53**

Source: Derived from different five year plan reports and agriculture statistics: Volume 1, 2009, Ministry of agriculture, RGOB

Table 3: Compounded growth rate between 2004-09

Dzongkhag	CGR of Paddy production (In %)	Share in paddy production (In %)	CGR of Maize production (In %)	Share in maize production (In %)
Bumthang	19.7	0.02	-	-
Chukha	1.0	2.8	19.6	2.4
Dagana	1.3	5.5	-5.5	11.7
Gasa	11.0	0.2	-	-
Haa	-7.8	0.3	10.2	0.2
Lhuntse	18.5	2.6	4.5	4.3
Monggar	1.9	2.8	13.7	11.3
Paro	13.1	9.0	59.3	0.0
Pemagatshel	-7.3	0.3	18.7	2.6
Punakha	13.5	12.7	24.6	0.3
Samdrupjongkhar	23.8	2.5	-3.3	9.5
Samtse	-1.2	12.2	-1.1	16.9
Sarpang	-15.7	18.0	-7.2	9.2
Thimphu	-11.7	3.6	-26.0	0.03
Trashigang	20.0	2.3	42.3	2.2
Trashiyangtse	-15.8	7.2	-23.0	15.3
Trongsa	7.9	2.7	15.6	1.7
Tsirang	11.1	4.6	-1.4	7.6
Wangdue	3.6	9.0	23.8	0.2
Zhemgang	3.2	1.8	4.2	4.6
Total	3.9		2.5	

Source: derived from Agriculture Statistics: Volume 1, 2004 and 2009, Ministry of agriculture, RGOB

Factor affecting deceleration in the growth rate of food grain production

In order to find out the factors affecting the deceleration in the growth rate of food grain production, effect of various factors on output was estimated. For this study it is hypothesized that the level of food grain output over time is affected by area, productivity growth, public investment and private investment. Annual changes in agricultural output are also influenced by weather, particularly monsoon rainfall. The impact of weather related factors are not considered in this study as they are exogenous variables and in this study only the policy induced variables are used.

Declining productivity growth

There are two important factors that affect food grain output - area under food grain and the productivity growth. Productivity growth is measured in terms of the growth in the yield per hectare. The fifth five year plan document provides evidence of what happened prior to 1982. It states that increase in food grain production was mainly realized through expansion in the area under cultivation[17]. In the last 27 years, the area under the food grains has increased at a compound rate of 1.35%, while the production declined at a compound rate of 0.53%. Despite more area is brought under cultivation the food grain

production declined because of steeper fall in productivity. During this period, the yield per hectare declined sharply at a compound rate 1.84% implying that Bhutanese agriculture sector is increasingly becoming less efficient.

The first sub period (1982-92) was truly the golden period of agricultural growth in Bhutan as both the area under crops and yield per hectare increased contributing to rise in the food grain production from 164,000 MT to 214,000 MT. But the success did not last longer as in the second sub period (1992-2000) and third sub-period (2000-09) the growth rate in the yield per hectare declined at a compound rate of 6.2% and 1.1% respectively. In the third sub period, not only the yield per hectare declined but also the area under crops declined.

The long term trend of decline in the yield per hectare may not be alone suffice to understand the deep rooted cause of the malaise of the Bhutanese agriculture system. Another equally alarming problem is the existence of large yield gaps[18] across Dzongkhags and the incidence of low yield in the Dzongkhags with larger area under cultivation. At present, the dzongkhags with larger share in total cropped area have relatively poor standard of yield. This combination is fatal for the Bhutanese agriculture. For example, in case of paddy the yield gap is 1172 kg, and for maize, the yield gap is 1123kg. If the existing domestic yield gaps are bridged, the paddy output would grow by 73% and maize output would grow by 96%. If this is realized, the existing food grain situation of deficiency can be converted into surplus. This may not be a difficult task as the yield gap has to be bridged using domestic standard of maximum yield as a benchmark. It only requires extending the best existing technological package to the lagging areas where productivity is lower and not any major technological breakthrough.

Table 4: Compound growth rate

1982-09	Area	1.35
	Yield	-1.85
1982-92	Area	1.46
	Yield	0.99
1992-00	Area	2.70
	Yield	-6.20
2000-09	Area	-0.13
	Yield	-1.10

Source: Derived from different five year plan reports and agriculture statistics: Volume 1, 2009, Ministry of agriculture, RGOB

Table 5: Dzongkhag-wise distribution of yield of Paddy

Dzongkhag	Area under crops (000,hect-are)	production (000,MT)	yield (kg/Hectare)
Bumthang	28	27	977
Chukha	1,752	1,581	902
Dagana	3,967	3,163	797
Gasa	166	197	1,185
Haa	97	92	945
Lhuntse	2,216	3,287	1,483
Monggar	1,420	1,649	1,161
Paro	4,686	9,027	1,926
Pemagatshel	125	96	768
Punakha	8,518	12,981	1,524
Samdrupjongkhar	4,173	4,024	964
Samtse	7,547	6,266	830
Sarpang	5,108	4,157	814
Thimphu	650	1,054	1,621
Trashigang	2,198	3,124	1,422
Trashiyangtse	1,477	1,656	1,121
Trongsa	2,135	2,176	1,019
Tsirang	5,640	4,255	754
Wangdue	5,437	5,837	1,074
Zhemgang	1,267	1,117	882
Total	**58,609**	**65,763**	**1,122**

Source: agriculture statistics: Volume 1, 2009, Ministry of agriculture, RGOB

Falling share of agriculture in public and private investment

Public and private investments in agriculture play an important role in determining the productivity level in the agriculture sector. The public investment creates positive externalities and cut down the private cost and provides access to infrastructural facilities. The private investment is crucial to the application of new technology and for the mechanization of agricultural activities. There is ample evidence on the complementarities between public and private investment in agriculture.

Since 1982, the share of agriculture in the five year plan spending has consistently been declining, from 22.5% in the fifth five year plan it declined to 7% in the ninth five year plan and increased slightly to 9.8% in the tenth plan. The share of agriculture in public investment has declined to less than half of its level in the fifth plan. Since Fifth FYP agriculture sector received lesser priority in the development process. Deceleration in the share of agriculture in public Gross Domestic Capital Formation (GDCF) has been very substantial especially after 1990s. If we take the weighted average of the allocation of public GDCF to agriculture sector over the entire plan period, agriculture received only 10.7% of the Nu.15.81 billion worth public GDCF. This is a regressive trend as this sector still employs about two thirds of the work force and gets only one tenth of the public investment. Infrastructure, both the physi-

cal and social taken together has received almost 45% share in the total public GDCF over the entire plan period. It is no surprise that for a mountainous and landlocked country like Bhutan, infrastructure received a very high priority in the development process. What is more concerning fact that despite high priority accorded to infrastructure-both social and physical, the agricultural growth rate decelerated and urban-rural disparity increased. It implies that rural areas had very limited access to such infrastructure. A large part of productivity decline faced by the agriculture sector in Bhutan is probably due to decline in its share in the public investment and limited access of the rural areas to social and physical infrastructure.

For measuring the share of agriculture in private investment, allocation of lending to the agriculture sector made by financial institutions is taken as a proxy variable for private investment. The most disturbing trend is that a very small portion of private investment goes to the agriculture sector. Its share in private investment is not only small but also declining. Agriculture sector share in private investment has declined from 6% in 1986 to 1.4% in 2009. The sector which contributes about a fourth of GDP and two thirds of employment receives only 1.4% share in the lending made by the financial institutions. Mehta (2009) found that share of agriculture in total investment[19] has fallen down from 12.6% in 1990 to 2.9% in 2006. It is really a disturbing trend that share of agriculture in total investment is less than a fourth of its level in 1990. Researches in the past provide strong evidence of the existence of strong complementarities between public and private investment. Long term decline in the share of the agriculture in the public investment has depressed the private investment. Mehta (2009) maintains that long term decline in the public investment in agriculture Bhutan has reduced the profitability of private investment consequently private investment in agriculture also declined. These factors together had a crippling effect on the farmer's ability to invest and innovate. This is one of the primary reasons of large poverty in the rural areas. Long term deceleration in the growth rate of the agriculture sector is associated with this trend.

Table 6: Sector-wise allocation of the lending made by financial institutions in Bhutan (in %)

	1986	1990	1994	2001	2006	2009
Agriculture	6	3.6	3	4.4	1.9	1.4
Industry and Manufacturing	23.3	22.1	24.6	19	18	16.5
Construction	43.6	29.6	20	20.8	35.4	24.8
Trade & commerce	6.4	18.2	15.1	15	15.2	14.1
Transportation	8.5	9.7	25.7	16.3	6.7	8.87
Others	12.2	16.8	11.6	24.5	22.8	34.33

Source: Mehta Sanjeev (2009): "Nature and Structure of Bhutanese Economy"

Another factor which requires attention is lack of suitability of the existing financial institutions to the needs of agriculture sector, especially in context of high disparity in the land distribution pattern[20]. The financial services in its present from are not suited to the needs and nature of the financial services required by the small farmers consequently they get a peanut share in the lending made by the financial institutions.

Role of investment in determining the growth rate of the crop production

To establish what role did the public and private investment played investment play in affecting the growth rate of food crops, the time series data is analyzed using Box Jenkins ARIMA model. The basic hypothesis is that the agricultural production and productivity is greatly affected by the level of investment made. The model assumes that keeping incremental capital output ratio constant, greater investment, both the public and private, tend to affect the growth positively. Since long term data on irrigation coverage and uses of other inputs are not available, the model use only public and private investment as explanatory variables. It is plausible to think that a combination of higher public and private investment tends to have capital broadening and capital deepening effect and consequently raises the productivity of land. Effect of public investment (pubgcdf) and private investment (pvtgdcf) on the growth rate of the agriculture (growthag) is estimated using time series data covering a period between years 1981 and 2009. We have taken 'growthag' as a proxy variable for the growth rate of food crops as long term continuous data on food crop production is difficult to get.

For a time series analysis it is important to check whether the time series of the dependent variable for which forecast is to be made is stationary. Autocorrelation sequence (correlogram) conveys that series is non-stationary, implying that all the autocorrelations are significantly different from zero. Ljung-Box test statistic conveys that P=0.000, suggesting that series is autocorrelated and we need to develop ARIMA model to analyze the time series by making it stationary. Non-stationarity in mean is corrected through appropriate differencing of the data. In this case difference of order 1 is considered to be sufficient to achieve stationarity. Using ACF and PACF tables, it is decided that ARIMA (1, 1, 0) needs to be applied.

The ARIMA model parameters show the t ratio and probability related to each of the explanatory variable. Since the p value is smaller than the t value the predictive power of both the explanatory variables is significant. Beta value is estimated to be 0.217 and 0.022 respectively for the pubgdcf and pvtgdcf. The model suggests that public investment (pvtgdcf) and the private investment (pvtgdcf) tends to stimulate the growth rate of the agriculture, though the impact of the private investment is not large enough.

The reason for this trend is simple to explain. The external economies, that are created by the public investment and that tend to make the private investment more effective, are at present not substantial. The declining share of the agriculture in public investment has constrained the rural infrastructure in general and agricultural infrastructure in particular. Also, the ability of the farmers to benefit more from private investment is determined by size of land holdings. The low impact of private investment on agriculture growth suggests that the share of agriculture in private investment is probably declining due to limits imposed by the profitability of such investment. There is, apparently, a vicious cycle operating that prevents faster growth of the agriculture due to low levels of private investment and unless the private investment itself becomes more profitable it will remain lower.

Way ahead

The paper establishes that decline in the crops yield and deceleration in the agricultural growth is a serious challenge to Bhutanese economy. In order to reverse this trend it is important that existing yield

gaps should be bridged through the extension of existing technological packages. The study reveals that declining share of agriculture in public investment has imposed a vicious cycle on the agriculture sector. To break this vicious cycle and push the agricultural growth rate to about 4%, as required by the tenth five year plan, there is an urgent need to scale up the public investment and turn the private investment in agriculture more profitable. Use of financial sector reforms by expanding the scope and coverage of micro credit facilities can play a crucial role in improving the profitability of the private investment. Targeted subsidization of a larger range of inputs and price support can also stimulate profitability of private investment. Suggesting a comprehensive policy framework for this is beyond the scope of this paper as it requires further research.

Conclusions

The food grain growth rate has declined steeply from about 5.3% in 1980s to about 2.7% in the first decade of the 21st century. The deceleration is caused by negative growth in the productivity of the food crops and declining share of the agriculture in total investment. The deceleration was further accentuated by the fall in the area under crops. High regional disparities are exhibited by the existence of high yield gaps across dzongkahgs. Regression analysis suggests that both the public and private investment influence the agriculture growth rate. Evidence of a small impact of private investment on agriculture growth rate indicates the low profitability of such investment. The paper finds strong evidence of the existence of vicious cycle of low private investment in agriculture sector which inhibits rapid growth of agriculture sector.

Notes

i.   1980 is taken as the base year for this study as GDP estimates for Bhutan prior to 1980 are not available.

ii.   Data on food grain production is obtained from various five year plan documents and ministry and agriculture publications, especially for the years 2004 and 2009. Publications of the Ministry of agriculture provide more disaggregated information at regional level.

iii. This analysis is based only on 5 years data beginning from the year 2004, as for a period prior to 2004 disaggregated regional level data is not available on known public domain.

iv.   The fifth five year plan document states that the gross cropped area under food crop increased from 81,000 hectare in 1973 to 113,000 hectare in 1982.

v.   Yield gap means the difference between the maximum yield standard and the actual yield attained.

vi.   It is calculated as weighted average of the share of agriculture in public and private investment, where weights are relative share of public and private investment in GDCF. Since 1990, the share of public investment has declined from about 54% to about 25% at present. The share of private investment has correspondingly increased.

vii. The seventh five year plan document provides evidence in this direction. According to it 45% of the farmers own less thanone hectare land 16% farmers own more than 2.5 hectare land.

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Reflections on the Role of University Research (ཞིབའཚོལ) in the Bhutanese Context

FRANÇOISE POMMARET

Abstract

This article presents an overview of the history and concept of university and research that will be linked to issues such as methodology, validation, ethics and religion. It also explores the similarities between modern methodology and ancient Buddhist and Socratic methods. It finally argues that academic institutions which provide a space for academic freedom and tolerance have a crucial role to play in contemporary Bhutan.

Introduction

The universities were founded in the early Middle Ages in Europe when urbanization and the bourgeoisie grew significantly in size and wealth. A university was an "association of students and teachers with collective legal rights usually guaranteed by charters issued by princes, prelates, or the towns in which they were located." Universities were at that time what we call today civil societies. Prior to their formal establishment, many medieval universities were run for hundreds of years as Christian cathedral schools or monastic schools (*Scholae monasticae*), in which monks and nuns taught classes; evidence of these immediate forerunners of the later university at many places dates back to the 6th century AD (Riché, 1978) The earliest universities were developed under the aegis of the western church, usually from cathedral schools or by papal bull as *studia generalia*. Later they were also founded by Kings or municipalities. In the early medieval period, most universities were founded from pre-existing schools, usually when these schools were deemed to have become primarily sites of higher education (Wikipedia, Medieval Universities section, para 1).

Universities became popular all over Europe, as rulers and city governments created them to satisfy the thirst for knowledge, and the belief that society would benefit from the scholarly expertise generated from these institutions. Princes and leaders perceived the potential benefit of having a scholarly expertise develop with the ability to address difficult problems and achieve desired ends. By the 18th century, universities published their own research journals; and by the 19th century, the German and the French university models had emerged. The German, or Humboldtian model, was conceived by Wilhelm von Humboldt and it stressed on the importance of freedom, seminars, and laboratories in universities. The French university model involved strict discipline and control over every aspect of the university.

Religion played a significant role in university curriculum (logic, medicine, theology, mathematics, astronomy (and astrology), law, grammar and rhetoric) but the role of religion decreased from the 19th century when universities started to teach science subjects detached of religion. This brief his-

tory is relevant to Bhutan today because several centuries later, a national university was established in Bhutan in a similar way as universities in the West.

- in Bhutan, the religious schools and scholars played a prominent role in the education system;
- the university was born out of the need for specialized human resources in an urbanized environment;
- the university was established with a commitment to academic freedom; and
- it was created by Royal Charter in 2003.

Besides teaching, research is one of the two activities of any university. Bhutanese scholars, mostly clerics, had in the past their traditional way of doing research, even if the modern concept was not known to them (Rinpoche, 2002 & Pommaret, 2000). Their work was to keep religious tradition and great deeds of their masters alive for the next generations. Without conceptualizing their activities, they were fulfilling two goals of research: documenting and passing on a heritage and carrying out the duty that they knew: to promote and pass on religious values that kept a society together.

Research and publications

Nowadays researchers tend to be focused on their findings, data and figures in an increasingly globalised and secular world. However even if the contemporary research setting does not call for religious values, researchers still have the duty to hold moral values and strong ethics which should be taught at the university. A researcher has a civil duty towards the society, and the pursuit of knowledge for intellectual satisfaction, fame or material gains is a selfish end. Therefore, the researcher has to be engaged in the society. The mainstream avenue for this engagement is the university, an integral part of the civil society. Research topics become part of the curriculum and enrich the lecturers as well as their students, and publications benefit the society as well as enhance the prestige of the university. However research at the university level faces a big challenge in today's world as Will Hutton from Hertford college in the UK underlines: "A culture of scholarship, the role of the teacher as teacher and the quest to know for the sake of knowing are to be replaced by a culture of consumer utility in which student choice and business need are kings. This is to be forced on universities by creating a new artificial market for student places and by research funding to be allocated less by what is intellectually compelling than what is commercially, and quickly, exploitable."[1] Jules Hoffmann from the CNRS and 2011 Medicine Nobel Prize co-winner, mused after the announcement that he never thought that his lifelong obscure study on the immune system of mice would have such important consequences for the humankind and bring him such an award (*Le Monde*, 5 October 2011).[2]

Research is first a passion, a vocation. If a person is compelled to do research while not feeling a calling, it will be a waste of time and human resource. Second, it is a pursuit for the discovery of new elements in order to quench the universal quest of knowledge. Lastly it is also about transmitting this knowledge to the young generations through classes, lectures, seminars and publications.

A researcher without publications is not a researcher as he/she makes no tangible contribution to the society, and the institution where he/she is employed has no means to validate the findings.

Here lies the difference between researching as a private hobby or as an academic pursuit. Anybody can do research for any reason or purpose out of intellectual interest and keep it for oneself or decide to publish it as a personal work.

The difference between the research at an individual level and academic research is the importance given to methodology, strategies and validation procedures (Verification and Legitimacy, ཉེས་མ་ཐན, and credibility ཚོད་ཆད). A study has to be reviewed by peers to be valid, which does not mean it is, to use Buddhist concepts propagated by Nagarjuna, the absolute truth (དོན་དམ་བདེན་པ). It is a relative conventional truth (ཀུན་རྫོབ་བདེན) by being the state of the topic at a defined time which will evolve with further research. Research is thus an excellent example of impermanence.

Methods in research

Methodology is the pillar of research. Although there is a standard methodology across the fields involving data collection and archiving, the research strategies can be quite different according to the subject (Creswell, 2008)

The quantitative strategy which place a lot of emphasis on sampling, figures, tables and structured questionnaires is extensively used in sciences, economics and sociology while the qualitative strategy which implies historical references, oral history, semi-structured interviews, and participant observation, is most often associated with human sciences such as anthropology and history.

In fact today, as the delimitation between fields tend to blur, the Mixed Methods strategy is more and more prevalent. In Bhutan, an example of a remarkable historical research using mixed methods is 'Population and governance in the mid 18th century Bhutan as revealed in the enthronement record of

Thugs sprul 'Jigs med grags pa' (1725-1761) by John Ardussi and Karma Ura. The basic questions in social and human sciences can be dubbed the WWWWH -- What, When, Where, Who, Why and How and can be summarised by the question "Who are the others?", a quest for knowledge on human societies.

This is the primary purpose of research in social and human sciences but the origin of anthropology as a field is known to have started with colonialism. In spite of its controversial origin and purpose, the field flourished, and supplementing history, archeology and now genetics and linguistic studies, remains pivotal to understand "the others".

Research in Bhutan and elsewhere today is often understood as applied research with immediate effect for planning, health and economic benefits. Social and Anthropological Research has applications in contemporary issues as it allows the planners and policies makers to have a base (ཞིབ) on which to rely in order to take the appropriate decisions which will impact the nation›s future. Examples of such applied researches are common in Bhutan, notably in the fields of GNH studies, education, health and environment to mention a few.

However, whatever topic and field the researcher is focusing on, methodological and validation procedures have to be in place, and originality and absence of plagiarism are fundamental criteria for an authentic research. Plagiarism is one of the major issues that universities today have to face all over the world

as information can be extracted from digital sources and checking procedures are becoming more complex. A slight oversight from the university can harm its reputation, much beyond the researcher at fault.

If contemporary international methods and tools are today the norm, Bhutanese could explore their own heritage to find that methods and validation were concepts that existed for centuries amongst the Buddhist scholars.

The Buddha devised a methodology to solve human sufferings, with identification of the problem, causes and treatment. Today it might be called identification, causes, and expected outcomes but it is the same logical mechanism. Like a contemporary researcher, the Buddha rationally debated with others but always avoided theological speculation. The concept of "discriminating knowledge"(ཤེས་རབ) is central and made of three components Study (Sanskrit: *śruta*, Tibetan: ཐོས་པ), Reflection (Sanskrit: *cintā*, Tibetan: བསམ་པ) and Meditation (Sanskrit: *bhāvanā*, Tibetan: སྒོམ་པ). If we apply these three components to a contemporary research work, the first two would be the same and meditation could be replaced by conclusion. Even today in the Himalayas, logic is one of the subjects of the monastic curriculum; logic (ཚད་མ) was often complemented by རྟོད་པ, the energetic debate, which is an exercise of reasoning analysis and validation exercise.

Several masters wrote on this subject but one of the best known because his work has been translated into English, is Purbu Jok Jamba Gyatso (Phur bu lcog blo bzang tshul khrims byams pa rgya mtsho 1825-1901) who was the 12th and 13th Dalai-Lama philosophy tutor. He wrote a manual introducing beginners to the principles, vocabulary, and concepts of the system of logic. His purpose was to lay a foundation for understanding how valid cognition is acquired. What is validity? How is valid knowledge acquired? (Rogers, 2009; *Perdue,1992)*

In our digital and social media age, several blogs in Tibetan uphold the tradition of robust debate (*www.khabdha.org* ཁབ་རྡ *amongst others, presents all kinds of views on culture and religion).* These remarks do not imply in any way that one needs to be a Buddhist to do research but simply that Buddhist concepts, which have been part of the heritage of Bhutan can be used as tools for research work even in our contemporary age and should not be relegated to the rank of antiquities or be the exclusive domain of the monks.

Interestingly, the Buddha was not the only master to have initiated such logic and analytic methods. Almost at the same time as the Buddha, the Greek philosopher, Socrates (469 BC-399 BC) gave his name to:

> a form of inquiry and debate between individuals with opposing viewpoints based on asking and answering questions to stimulate critical thinking and to illuminate ideas. It is a dialectical method, often involving an oppositional discussion in which the defense of one point of view is pitted against the defense of another; one participant may lead another to contradict him in some way, strengthening the inquirer's own point. The Socratic method searches for general, commonly held truths that shape opinion, and scrutinizes them to determine their consistency with other beliefs. Aristotle attributed to Socrates the discovery of the method of definition and induction, which he regarded as the essence of the scientific method (Wikipedia, Socratic method, para 1&2)

The similarities between the two masters who elaborated methods to control the mind and devoted their life to teachings for the betterment of human condition have been discussed for centuries. Today more than 2 millions internet pages are devoted to the subject. Some even suggested that there had been a meeting between the two, but this will remain a pure hypothesis.

What makes both the Buddha and Socrates so relevant to research is that they hold no theological views, that is a belief in a higher being and do not elaborate on life after death. Research and religion were often deemed incompatible and the discussion has been ongoing in all the faiths for centuries, but the real issues are tolerance and respect of others' opinions and beliefs. Scientists often took a despising view of religious beliefs, in the name of "scientific truth" and religious hierarchies and clerics took a defiant stand in the name of "religious truth".

However the study of religion exists as a science. Theology is "the study of religious faith, practice, and experience*; especially* the study of God and of God's relation to the world" (Merriam-Webster Dictionary). It is therefore a term usually reserved for monotheist religions and Buddhism or Hinduism prefer to use the term philosophy.

In an academic context, the study of theology in institutions of higher education was linked with the founding of the institutions. For example, Taxila, now in Pakistan, was a centre of Vedic learning, possible from the 6th century BC or earlier; the Platonic Academy founded in Athens in the 4th century BC included theological themes in its subjects; the Chinese Taixue delivered Confucian teaching from the 2nd century BC; the School of Nisibis was a centre of Christian learning from the 4th century AD; Nalanda, Odantapuri and Vikramashila in India were sites of Buddhist higher learning from at least the 5th or 6th century AD; and the University of Al-Kraouine in Marocco or Al-Azhar University in Cairo were centres of Islamic learning from the 10th century. However, gradually theology being taught by religious orders and in religious institutions, became sterile as they were just repeating a curriculum without innovation and held it as the only valid one.

These religious institutions, whatever their denominations, were considered too sectarian and rigid for the 19th century growing scientific community. Moreover in many instances, theological dogma became a justification for religious zealots. Hence the birth, in the 19th century Germany, of a science called History of Religions, today also called Religious Studies, a recognised academic field which studies religions as socio-cultural phenomenon. The academic setting, far from dogma and emotional faith, allows scientific fruitful interfaith dialogue and comparative studies of religious phenomena in respect of others' sensitivities.

Bhutan is a country whose cultural heritage is strongly embedded into a distinctive religion. It has been objected by positivist thinkers that a researcher will not be able to contribute meaningfully because of the strong cultural background or *habitus*, to use a concept of the French sociologist Pierre Bourdieu; or worst he/she might even contributed to the decay of religious beliefs by his/her findings. In short, that it might be difficult to be religious and do research.

In fact, it all depends on the definition given to religion and the way the mind look at it. The irony is that the etymology of the word religion is not even established and therefore its meaning can be interpreted in different ways. It comes the Latin *religiō*, the ultimate origins of which are obscure. One possibility is the interpretation traced to Cicero connecting *lego* "read", i.e. *re* (again) + *lego* in the sense of "choose", "go over again" or "consider carefully". Another interpretation made prominent in the 5th century AD by the Christian theologist St. Augustine", who reshaped the Christian thought, is from *ligare* "bind, connect", probably from a prefixed *re-ligare*, i.e. *re* (again) + *ligare* or "to reconnect"(Wikipedia).

Research is generally defined as the search for knowledge, or as any systematic investigation, with an open mind, to establish novel facts, usually using a scientific method. The primary purpose of re-

search, which is discovering, interpreting, and the development of methods and systems for the advancement of human knowledge on a wide variety of scientific matters of our world and the universe does not, therefore, seem to be incompatible with religion which also looks for the betterment of human beings.

In the past centuries, researchers were embedded in their own cultural religious context, and still they did not see any problem in doing their research because they separated their personal/private sphere from their academic life and they had open-mindedness the indispensable quality of a researcher.

Research and religion

However, tensions arise between religious establishments and researchers when religious views are held as dogmas by theologians who are convinced they have the truth and that their beliefs are the only valid ones. Galileo Galilei (1564-1642) the Italian revolutionary astronomer and philosopher was persecuted by the Catholic Church because of his findings about the universe, which according to the Church, were blasphemous. He was denounced to the Roman inquisition in 1615. In 1616, although he had been cleared of any offence, the Catholic Church still condemned his theory as the sun as the centre of the universe as "false and contrary to Scripture", and the ban was only lifted in 1992.

In the USA today many Christian fundamentalists do not want the Darwinian concept of evolutionism taught in the schools because it opposes their belief in creationism. The debate has been raging for years and an encyclopedia online called "conservapedia" has been created to oppose any views which are not in the Bible. In 2008 16% of the science teachers in the USA did not accept the theory of evolutionism and one in eight are teaching creationism as a valid science (Holmes, 2008). Paul Krugman published an article New York Times on August 28, 2011 titled *Republicans against Science* in which he explains that "Mr. Perry, the governor of Texas [and contender for the Republican nomination], recently made headlines by dismissing evolution as 'just a theory,' one that has 'got some gaps in it' -- an observation that will come as news to the vast majority of biologists. But what really got people's attention was what he said about climate change: 'I think there are a substantial number of scientists who have manipulated data so that they will have dollars rolling into their projects. And I think we are seeing almost weekly, or even daily, scientists are coming forward and questioning the original idea that man-made global warming is what is causing the climate to change."

These tensions arise between researchers and clerics in general but their arrival in the political arena is a new phenomenon as research questions and redefines accepted knowledge or traditions. The 20th century discovery of important Buddhist ruins in Uzbekistan was unsettling for a hugely Muslim nation which had to reconsider its history (Yusupova, 2011) In fact Buddhism was brought to what was Sogdiana and is now, from India at the beginning of the 1st century A.D. but the history textbooks of the country never acknowledged it. Religions, countries, and traditions are fluid, permanent only in a given temporal space. Research which contributes to the advancement of knowledge, unearth inconvenient facts for many theologians who, irrespective of their denomination are set in their ways and convinced they have the ultimate truth. The Inquisition of the Christian church or the destruction of the Buddhas in Bamyan by the Talibans in 2001 are just one of the many examples of destruction in name of one's faith.

These cases are not about the incompatibility of research and religion but about research and intolerance. They bring to us the subject of tolerance and accepting new ideas which, even if they are not in harmony with ancient and personal beliefs, is one of the founding precepts of any university.

In the Himalayan world, for centuries it was believed that the earth was flat according to the Indian cosmogony as per the *Chos Mngon pa'i mdzod* (*Abidharmakosa*), which is an important text in the monastic curriculum. However today, young monks have accepted as a fact that the earth is round. An important idea in the definition of a university is the notion of academic freedom. The first documentary evidence of this comes from early in the life of the first university. People had the right to travel anywhere in quest of academic pursuits.

Conclusions

The Royal University of Bhutan is a space where tolerance and academic freedom, core values of an academic institution, must prevail for research to bloom, and researchers, regardless of their personal religious beliefs which are protected by the constitution of Bhutan, can engage in a meaningful debate for the society they live in. This can be achieved by promoting a culture of tolerance, debate and discourse which has been the hallmark of the Buddha's teachings.

The Buddha was a spiritual researcher and had the courage to break all social norms of his time in pursuit of solutions for alleviating the suffering of mankind. Today some of his teachings could be a template for the research quest leading to fruitful exchange. The Buddha said, as translated by the universally acclaimed Ven. Walpola Rahula:

> Believe nothing on the faith of traditions,
> even though they have been held in honor for many generations and in diverse places.
> Do not believe a thing because many people speak of it.
> Do not believe on the faith of the sages of the past.
> Do not believe what you have imagined, persuading yourself that a God inspires you.
> Believe nothing on the sole authority of your masters and priests.
> After examination, believe what you yourself have tested
> and found to be reasonable, and conform your conduct thereto.
> Believe nothing merely because you have been told it.
> Do not believe what your teacher tells you merely out of respect for the teacher.
> But whatever, after due examination and analysis,
> you find to be kind, conducive to the good, the benefit, the welfare of all beings -that doctrine believe,
> cling to and take it as your guide".[3]

Notes

1. "The quest for knowledge is good in itself and helps the country thrive"**,***The Observer*, Sunday 25 September 2011. http://www.guardian.co.uk/commentisfree/2011/sep/25/tuition-fees-universities coaltion?commentpage=4#comment-12557936

2. http://www.lemonde.fr/planete/article/2011/10/04/jules-hoffmann-redevenons-enthousiastes-pour-la- science_1581830_3244.html

3. Rahula (1974).

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Issues of Quality in Higher Education:
Some International Perspectives and Their Relevance to the Royal University of Bhutan

SINGYE NAMGYEL

Abstract

This paper explores issues surrounding the differing conceptual definitions of quality in higher education, structure and models of education, internationalization of higher education provisions, and quality assurance systems and how they affect the quality of higher education. Its purpose is to draw upon international perspectives and experiences in relations to these issues and discuss their relevance to the Royal University of Bhutan. I synthesize themes and patterns of secondary data gathered through a cross-sectional study and extensive review of literature and analysis of documents. While there are standard structures and models of higher education around the globe, there are also higher education institutions with a mix of structures which might result in loss of focus and weakening of quality. In relation to globalization of higher education provisions, there is evidence of a growing inclination towards economic reason as the main purpose of offering education services to foreign students. While quality assurance systems and models with painstaking procedural requirements exist, excessive demands seem to cause quality burden and quality fatigue in some institutions. The paper concludes that there is much that RUB can learn from international experience. The advantage lies in the fact that it is in its infant stage of development and therefore it has the opportunity to take stock of successes elsewhere and filter those practices that are detrimental to its own progress.

Introduction

It is important to understand the conceptual definitions of quality, characteristics, aspects and determinants of education before one engages in any debate on the issue of quality in education. Although literature suggests that the conceptual definition of quality has its origin in the manufacturing industry, the debate on the issue of quality in education and for that matter in higher education has been in educational discourse for several decades, and more prominently since the 1980s (Namgyel, 2011). Kwek, Lau and Tan (2010) present a review of the *conceptual definitions* of the term 'quality in education' as excellence in education; value addition in education; fitness of educational outcome and experience for use; specifications and requirements; defect avoidance in education process; and meeting or customer's expectations of education. Bandawe (2005) refers to quality in general to mean value, worth, or standard. He specifies *characteristics of quality* in higher education as "level of student achievement, ability and qualification of staff, the standard of facilities and equipment, the effectiveness of teaching, planning and administrative processes, and the relevance of programmes to the needs of students and the nation in an emerging global knowledge economy" (p. 185). Bandawe's (2005) quality characteristics align with some of the aspects of quality that Kwek, et al (2010) suggest: process model of education quality, service quality that includes quality of librarians, staff responsiveness, curriculum, amount of recreational activities.

The need to attend to quality issues in higher education has been felt recently. Some of the prominent reasons literature suggests include value for money, increasing market demand, resource allocation, massification of higher education provisions, concern over consumer satisfaction, and equating educa-

tion with industry (Eagle & Brennan, 2007; Lim, 2001; Meirovich, 2006; Schwarz & Westerheijden, 2004; Tari, 2006; Wang, 2003). The need for urgent attention to the issue of quality in higher education seems to be in response to education being equated to industry and the "continuing process of massification and the rise of knowledge-based economies and societies" (Namgyel, 2011, p. 13). The labelling of the consumers/beneficiaries of higher education as "customers" has drawn in some sentimental debates (Meirovich, 2006 in Namgyel, 2011, p. 13). For example, Meirovich (2006) considers students, graduates, employers, taxpayers to be the customers of higher education. According to Tari (2006), the role of student and customer are not identical. Eagle and Brennan (2007) however contend that the issue of customer satisfaction in higher education existed for decades.

It appears that economic and market pressures have led to the commoditisation of higher education resulting in the devaluation of traditional education values. Literature suggests that there is a growing concern about the issue among higher educationists. For example, Aper (2010) is highly critical of the purpose of 21st century education that tends to be framed around economic production and manufacturing quality control models. This economic-imperialistic approach has colonized the essential foundation of authentic education. Aper (2010, pp. 55-56) elaborates the scenario:

> A deeper base to higher learning lies in embracing the traditional values of the academy and cultivating the faculty as uniquely rich resource in support of student learning and the dual work of preservation and innovation in addressing the most pressing needs of humanity… Non-cognitive outcomes of higher education, most quality control concerns center on cognitive knowledge and skill. This disconnection between production and personal values that lies at the crux of the difficulties attending efforts to imbibe higher education with modern conceptions of quality assurance.

Literature shows sufficient debate around issues of quality and how they impact education. The author notes that there are other equally significant parameters and issues that must affect the quality of higher education. Hence in this study I have identified the following issues:

- Structures and Models in Higher Education
- Internationalization of HE provisions: Academic cross-fertilization or 'dollarization'
- Quality Assurance Systems: Enabling versus Impeding Quality of Higher Education

The study used secondary information collected through an extensive review of related literature and document analysis. Related themes and patterns from the literature have been discussed in some depth to address the issues identified in the study.

Issues of structure and models in higher education

Differing structures and models of quality in higher education worldwide seem to impact on the quality of education. Debate on the structures may not be complete without distinguishing "Tertiary Education (TE) and Higher Education (HE)". Namgyel (2011) maintains that the entry of TE in the educational discourse is more recent than HE. However, TE seems to be the overall umbrella structure of which HE is a sub structure in many of the countries researched. TE subsumes programmes of study that are generally practical oriented and specific to occupation, while HE focuses largely on academic theory

often preparing or leading to the award of a research qualification (OECD, 2008). TE and HE are also distinguished by the duration of study. Traditionally, HE studies entail three years (e.g. a bachelor's programme) to six years (e.g. a doctoral programme) of full time, while for TE the duration of study ranges from a few months to three years. However, there are TE programmes that run for four to six years and therefore the duration of study cannot be considered as a single criterion to distinguish tertiary education from higher education. Namgyel (2011) presents a review of TE institutions that offer occupation-specific programmes of study, namely VET-Vocational Education and Training (Australia) which incorporates TAFE-Technical And Further Education (Zhukov, 2008), FET-Further Education and Training Colleges in the case of South Africa (Bonnema & Waldt, 2008). In most of the countries of the OECD (Organization for Economic Cooperation and Development) tertiary education and higher education are differentiated by institutions rather than by programmes. Programmes offered at universities are referred to as higher education whereas programmes offered at institutions and centres other than universities are referred to as tertiary education (OECD, 2008).

Structural issues of quality in HE are discussed in terms of levels and associated nomenclatures. Generic degree nomenclatures used in HE systems in many of the countries researched include bachelors, masters and doctorates of which the duration ranges from three to seven years. Examples of these are Bachelor of Education (B.Ed), Bachelor of Art (B.A.), Bachelor of Science (B.Sc), Master of Education (M.Ed.), Master of Art (M.A.), Master of Science (M.Sc), Master of Technology (M.Tech), Doctor of Philosophy (PhD), and Medical Doctors. Generally, these structures are prevalent in the countries and regions that were researched in this study such as (1) *Europe*, the Netherlands (Jeliazkova & Westerheijden, 2004; OECD, 2008), the Flemish Belgium (Damme, 2004) and the United Kingdom (Brennan & Williams, 2004; Doherty, 2008); (2) *Australia* (Lim, 2008); (3) Asia: China (Mohrman, 2008), Japan (Amano & Poole, 2005), Korea (Kim, & Lee, 2006); (4) *Latin America:* Argentina; (5) *African continent* (Bandawe, 2005); and (6) *North America:* the US (Mierovich, 2006). Degrees that are academic in nature are generally offered in universities or institutions of higher education.

Training programmes that are *professional*, *vocation* oriented and *technical* in nature are also offered in tertiary education institutions. Technical education is defined as an education that enables learners to acquire higher level of skills, training, leading to a skilled occupation (Dhiwayo, 2008). Some African countries have "Work Integrated Learning (WIL)" (p. 2) and entrepreneurship in higher education. Similarly, the Flemish Belgiun has Hogescholen (Vocational Institutes), that are responsible for providing vocational and technical courses, but they also house academic disciplines like a university does (Damme, 2004) by making a distinction between professional and academic programmes. In Canada and Australia these institutions are known as "Colleges of Advanced Education" (Curri, 2002, p. 4). In the Netherlands vocationally oriented programmes known as 'higher professional education' are offered by universities of applied sciences (OECD, 2008). It seems that in order to accommodate change universities, in addition to traditional faculties of science and humanities, also have "professional and vocational faculties" (Ensor, 2004, p. 3).

It appears that there is a structural mix-up of the HE institutions that have the potential to become a melting pot of learning but without much focus. One is tempted to question the quality in the name of quantity of programmes. This move seems to be influenced by economic factors that compel universities to fetch more dollars by offering programmes that are saleable. Aper's (2010) critique of the

21st century higher education being circles around economic production is apt here. The quality education that enhances the development human values seems to receive less attention.

The Royal University of Bhutan (RUB) also seems to suffer from a structural mix-up. Consider RUB and its ten colleges as one entity. The university offers programmes and courses that are both HE and TE in nature. By definition Sherubtse College (SC) and Institute of Language and Culture (ILCS) qualify to be called HE institutions as they offer general academic courses. Other colleges namely Royal Institute of Health Sciences (RIHS), National Institute of Traditional Medicines (NITM), Samtse and Paro Colleges of Education (SCE, PCE), College of Science and Technology (CST), Jigme Namgyal Polytechnic (JNP), and College of Natural Resources (CNR) offer programmes that are professional in nature and are geared towards specific occupations. These colleges thus qualify to be TE institutions. The graduates of SCE and PCE join schools in the Ministry of Education as teachers. There is a need to revisit the nomenclature of the colleges to gain focus. Namgyel (2011) recommends for a need to distinguish between "Education", "Training" and "Teaching" (p. 189) and therefore to reconsider the degree being offered: Bachelor of Education or Bachelor of Teaching. Gedu College of Business Studies (GCBS) seems to fall in between; its courses are neither purely general academic nor are they geared towards specific occupation. These varied structures and nomenclatures pose huge challenges to the RUB in providing quality direction and monitoring.

The Tertiary Education Policy of the Kingdom of Bhutan, 2010 (Ministry of Education [MOE], 2010) maintains Bhutan's tertiary education structures at three levels: University, Colleges and Autonomous Institutes. The policy direction says that "A university shall offer multidisciplinary programmes and not to be a specialist institution. A university shall be required to have a range of faculties offering programmes in both arts and sciences" (MOE, 2010, p. 11). According to the policy a college can either be a constituent of a university, affiliated to a university or an autonomous branch of a foreign university. It may be important for the RUB to have a closer perusal of the tertiary education policy direction pertaining to Autonomous Institutes, where it says:

> Autonomous institutes are those specialized institutes whose raison detre is the offering of highly defined professional education and training programmes. These include, for example, medical schools, nursing schools, law schools, or business schools, or academic training programmes, such as IT programmes (MOE, 2010, p. 12).

Going by the provisions of the tertiary education policy of the Kingdom of Bhutan it is possible for RUB to get skewed both in terms of its structure and arrangement of the programmes offered at the colleges and institutes. For example, it is possible to think of its constituent colleges such as the Royal Institute of Health Sciences (RIHS), National Institute of Traditional medicine (NITM), College of Science and Technology (CST), Samste College of Education (SCE), Paro College of Education (PCE), Jigme Namgyel Polytechnic (JNP), College of Natural Resources (CNR), and Gaeddu College of Business Studies (GCBS) arguing for status of "autonomous institutes". RUB was established in 2003 and most of its constituent colleges had existed since the 1960s.

Bhutan too has a number of government supported Vocational and Technical Institutes (VTIs) that specialize in the fields of civil, mechanical and electrical engineering. These institutes also admit students after their high school education and the training duration is usually two years. The graduates

of these institutes are skilled and educated labourers. They are expected to do manual and blue colour jobs in government, private and corporate firms. In order to boost the morale of the institutes and trainees the nomenclature of these institutes has been upgraded to "Institute of Civil Engineering, Institute of Mechanical Engineering, Institute of Electrical Engineering". As a result of the change in name, these institutes experienced a rush of students from high school with better academic achievement to take up courses that were otherwise not really popular among high school graduates. However, the duration of the programmes remain the same. Therefore the structure and nomenclature of institutions have an impact on the quality of education.

Elsewhere an ongoing debate surrounds the functionality of university education and vocational institutions. University higher education is criticized as being too theoretical. Bandawe (2005) observes, "Higher education has often been targeted for criticism with regards to its lack of relevance in addressing the day-to-day struggle and hardships … University graduates become an elite, out of touch with the indigenous worldview" (p. 1). In the same vein, Amano and Poole (2005) criticize Japanese university programmes as an "elite escalator". These findings and debates show that excessively theory based or economically driven university education can undermine the importance of learning human values. RUB going through a phase of transition, at least in terms of curricula. On the one hand, there is a need to make its programmes marketable and responsive to the economic needs of the society. On the other hand, there is an uphill task of instilling human values through "mindfulness". More than even before it is important for university curricula to address the spiritual needs of students in a secular education system. Equally importantly, RUB will need to situate its academic programmes, learning and teaching policies and practices in the country's development philosophy of Gross National Happiness (GNH). What is yet to achieve is the formalization of such a curriculum and make it befitting to the mainstream structure of HE. In the process of formalizing this element of the curriculum RUB is likely to spend significant amount of time and resources away from the mainstream structure and in doing so it may run the risk of compromising the quality of the existing programmes.

Internationalization of HE provisions: Academic cross-fertilization or 'dollarization'

A remarkable change in education in the recent decades has been the "Internationalization" of higher education provisions. Internationalization is closely associated with globalization and more often than not they are interchangeably used. The process of globalization is defined as the widening, deepening and speeding up of worldwide activities (Held, et al, 1999, in OECD, 2008, p. 235), while internationalization relates to the process of integrating the international, intercultural or global dimensions into the purpose, functions or delivery of tertiary education (Knight, 2003). The spectrum and dimensions of internationalization include forms and types of mobility that, among others, include programme content and delivery; people mobility; institution and programme mobility; students and academic mobility; home based internationalization; student exchange programme; infusion approach and the like (see OECD, 2008, pp. 235-309). Delving into any depth in each of these dimensions is not within the purview of this paper. However, one or two overriding themes such as the purpose of internationalization and associated quality issues are briefly presented in this section.

Many universities around the globe offer courses to foreign students in a number of ways: short tailor made packages, twining programmes, mainstreaming, and so on. The facilitation of course offer-

ings is done through student exchange, by signing Memorandum of Understanding (MOU) between universities and open admission. Academics claim that the purpose of internationalization of higher education is to promote academic and intercultural cross-fertilization among nations and bring closer to one another. On the other hand, higher education in many countries is an industry for economic growth (Marginson, 2007). Studies show that the main exporters of education services, both in terms of student numbers and value of exports are the United States, the United Kingdom, France, Germany and Australia. The study also reveals that the market is highly competitive among English speaking nations: Australia, United States, United Kingdom, Canada and New Zealand (Carrington, Meek & Wood, 2007).

Australian universities appear to earn significant revenue from the admission of foreign students. For example in 2001-2002, exports of education services were worth about $4.2 billion, which accounts for about 13% of the total value of service exports (Australian Bureau of Statistics [ABS] 2002, 2003a, cited in Carrington, et al, 2007). According to the report, education services include higher education, vocational education, English language training, and school education. It is reported to be "Australia's third largest service export sector behind tourism and transportation" (p. 562). These lines suggest the purpose for internationalization of HE is more of dollarization than otherwise:

> It is important to understand the incentives that encouraged education providers, especially universities, to expand education exports when assessing the merit of further government intervention in international education. Universities essentially developed export markets in response to Commonwealth policies that: reduced university funding; capped local student fees; allowed the entry of full-fee-paying overseas students into Australia; and required universities to diversify sources of income (Carrington, et, al, 2007, p. 563).

Structures of programmes of studies are modified to accommodate international students and to develop partnerships to diversify the mode of offering higher education to cater to the demands of customers. A case in point is Australia and Malaysia's "twinning arrangement", "2+1" or "1+2" (Lim, 2008, p. 3). Through this arrangement students of partnering countries study for two years in their universities and the remaining one year in the university of the partner country, or vice versa. Similarly, academic flexibility like "credit-accumulation-and-transfer" (Ensor, 2004, p. 2) between universities around the world makes the pursuit of tertiary education convenient for students (in Namgyel, 2011, p. 17). Similarly, many traditionally two-year master's programmes are reduced to one-year especially in social sciences. At the apparent level the modified structure enables more students to take up the course within a short period of time. However, one may also be made to believe that it is intended to make quick dollars by making the course customer friendly. A serious question that warrants answers is the quality and coverage of contents in light of its time being slashed by 50%.

One of the key objectives of internationalization of HE in European countries seems to be to enhance the comparability and compatibility of higher education structures and degrees in Europe. This is expected to increase the employability of European citizens and also to make European tertiary education more competitive and attractive. A uniformity of systems and comparable degrees is established by following a common "three-cycle degree of Bachelor-Master-Doctorate [BMD]" (OECD, 2008, p. 238). The overriding purpose appears again to be linked to employment and it is inherently related to earning dollars. Studies reveal that many European countries plan their higher education curriculum and related services in a way that can be exported to countries beyond Europe.

While the benefits of internationalization of HE must be applauded, it is not short of criticism. A sharp criticism against it relates to its tendency to push students toward a uniform market-driven curriculum which would spread mono-cultural and Anglo-centric views. One of the drawbacks of international curriculum is that "it would provide partial exposure to international and intercultural differences through passive class-based learning" (De Vita & Case, 2003, in OECD, 2008, p. 240).

The other noteworthy issue seems to be the languages of instruction and their influence on the choice of courses of study and destinations. Studies show that English, French, German and Russian are widely spoken and read languages and therefore dominate in the destinations of foreign students. Language abilities act as both a hindrance and an incentive to international mobility. Foreign languages are seen as the passport to travel, study abroad, opportunities for internship experiences, and international career. As delineated elsewhere, English speaking countries dominate in this competition as 46% of foreign students worldwide seem to enroll in these countries indicating that there is a rush for courses with English as medium of instruction. These countries are advantaged by the fact that about 20% of the world population speak in English to some degree and by the ever increasing use of English in business and technology (Crystal, 2003). Studies reveal that linguistic considerations is the key factor in students' decision to study in Anglo-Saxon countries and the rapid increase in foreign student enrolment in some of these countries in recent years (OECD, 2008). The issue here is the linguistic ability in English to study a programme of higher level education. Foreign students whose mother tongue is not English come with a wide range of English language competencies and disadvantages. It is plausible that the quality of education may be compromised in exchanging it for dollars.

RUB also seems to be internationalizing its programmes. With the university becoming autonomous from July 2011 one of the tasks each member college has been charged with is revenue generation to supplement the budget provided by the government. RUB and its colleges in recent years (2008-2011) have been investing their time, efforts and resources in developing 'transformation' and 'strategic' plans. RUB has signed a performance compact with the Royal Government of Bhutan and the colleges in turn have signed the same with the university whereby activities to be achieved within a specific timeframe are listed in the plan document (RUB, 2010a). Almost all colleges in their plans have admission of foreign students as a strategy to generate revenues. Furthermore, the development of strategic plans for the 11th Five Year Plan (2013-2018) is underway. Almost all strategic planning themes, 'Teaching and Learning (Programmes of Studies)'; 'Research'; 'Human Capital Development and Management'; 'Students and Services'; 'Business Sense'; 'RUB Marketing and Branding' and 'Gross National Happiness' and their goals and strategies suggest a process of global intercultural and academic cross-fertilization taking place. Among others, these include the admission of foreign students, export of courses and education services, appointment of international faculty, offering joint programmes (RUB, 2010b). RUB plans to bank on Bhutan's niche areas such as Himalayan studies, GNH, environment, culture, and traditional medicine to establish its international status. RUB however is likely to face a number of quality factors in relation to its courses, faculty, facilities, and the intake of international students.

Quality assurance systems: Enabling versus impeding quality of higher education

Review of literature suggests that the Quality Assurance (QA) mechanisms and models and how they are employed impact on the quality of education. While discussing QA a number of *associated concepts and terminology* come into play. They are Quality Assurance Scheme or Quality Assurance System; Accreditation Schemes (AS); Evaluation Schemes (ES); Assessment: self-evaluation, self-regulations, external review, peer review, evaluation; Qualifications Frameworks (QF); Subject Benchmark Statements (BS); Programme Specifications (PS); Approval: academic recognition; Auditing: review; Quality Management; Quality Enhancement; Quality Fatigue; Yellow card; Red card; Visiting Committees; Site visits; External peer observer; Visitation reports and the like (Kettumen, 2010; Mause, 2010; Nair & Mertova, 2009; OECD, 2008). The author is of the opinion that the readers have a fair idea of these vocabularies and hence the presentation of definitions is not considered in this paper. This section of the paper however considers the discussion of some essential terminology that is prominent in quality debates namely, Quality Assurance, Accreditation Scheme, and Evaluation Scheme.

Harman (2003) and Harvey (2009) define QA system as a systemic and planned procedure the outcome of which is to establish stakeholder confidence with product and/or service. On the other hand, Accreditation Schemes is an institutionalized process that leads to formal approval of higher education institutions, their degree types and programmes (Damme, 2004; Schwarz & Westerheijden, 2004; OECD, 2008) and QA typically is an umbrella of AS. Literature also suggests that evaluation is an essential part of both QA and AS. Evaluation Scheme concerns the analysis and measurement of activities that are in implementation (Mehralizadeh, Pakseresht, Baradaran, & Shahi, 2007). All the stakeholders namely students, faculty members, programmes, departments, institutions and their major practices of teaching, research and service are subjects and objects of evaluation.

The need for and purpose of quality assurance in higher education has been felt now more than ever before. Global perspectives suggest that there are two basic drivers for QA in HE. One is the need to show to "the public" what is being done with taxpayers' money which is related to the State relinquishing control and giving more autonomy to institutions (Omoregie, 2008). Quality assurance is a mechanism to see what the institutions are doing, which has been particularly the case in Western Europe (OECD, 2008). The other driver concerns the distrust in "government's" perception of what universities and higher education institutions do and quality assurance serves as a regular monitoring and review strategy. The need for QA in HE tend to differ slightly in various countries. Skilbeck and Connell (2000), for example, list the need in Australian context to be "Growth of the sector, increasing diversity, demand for greater transparency and accountability, impact of technology, changes in academic employment",…(pp. 1-3). They further maintain that the need for QA is owing to emerging providers and new structures of HE; international competitiveness; benchmarking and performance indicators; and expressed concerns. The growth in the sector has been implicated by its demand in the society. Demand tends to become diverse in the light of the volume and diversity of student population. Transparency and accountability of education are increasingly becoming pre-requisites as funding agencies and individuals who pay for education seek value for each dollar (Skilbeck & Connell (2000).

At least in the current scenario, the need for and purpose of QA in the Bhutanese context does not appear to be compelled by factors such as the need to garner the confidence of the public and tax

payers. However, Bhutan is also going through a transition in that the number of colleges offering higher education is on the rise. The country is in contact with the global community more than ever before, and the number of graduate and postgraduate students seeking employment is growing. Thus a quality assurance mechanism for higher education is the call of the day. Structurally, the tertiary education policy of the Kingdom of Bhutan suggests two levels. It suggests QA system to be in place at the individual university, college and institution levels. According to the policy document, the 'Bhutan Accreditation Council (BAC)' is the national apex body and has these mandates:

> A national autonomous body having overall authority on accreditation, quality assurance, and interpreting and reorganizing qualifications is needed in order to: (a) provide a common framework for accreditation for all public and private institutions within and outside Bhutan; (b) assess quality of tertiary education and ensure that it meets the required standards; and (c) ensure credibility to the country's degrees and programmes. To this effect, a body shall be established by the Ministry of Education which shall be called the Bhutan Accreditation Council (BAC), to ensure an international level of tertiary education standards (MOE, 2010, p.22).

The policy document evidences that Bhutan embraces the accreditation paradigm as the national quality assurance system. As one of the Tertiary Education Institutions (TEI) in Bhutan, RUB has been active in the implementation of its QA procedures and mechanisms. What is still blurry is the employment by RUB of 'accreditation', 'quality assurance system', 'reviews' and 'evaluation'. In its current QA practices 'Validation' and 'Review' seem to be prominent. At present 'Validation' as a QA tool is being used whether it is for endorsing and updating existing programmes or for approving new ones. Review is used to evaluate the health and success of the programmes in operation following a prescribed periodic cycle. Over time, closer attention must be paid to potential structural mismatches and discrepancies in RUB's use of quality assurance concepts and terminologies in relation to Bhutan's tertiary education policy.

A review of studies carried out on tertiary education quality suggests that there are two main purposes of carrying out quality assurance exercises -- "accountability and improvement" (OECD, 2008, p. 264). A central aspect of the *accountability* perspective is rendering an account of responsibility in relation to set goals. Although institutions have autonomy, many rely on public trust and funding and hence are accountable to the state, students and the general population. Reliable information concerning quality is needed during the accountability process. Accountability is frequently linked to funding; and the funding agencies often want to see that public funds are effectively spent. One of the purposes of quality assurance procedure is to achieve *accountability-driven objectives*. The other purpose is to achieve *improvement-driven objectives* that focus on processes and procedures for future improvement that entail academics revisiting their delivery approaches, methods and attitudes to teaching. The procedures also allow for an analysis of strengths and weaknesses and recommendations from peers. Namgyel (2011), however, reports that the two purposes supplement and complement rather than separate and compete. Accountability-driven objectives seem to incline towards funding and its related obligation to the state while improvement-driven is more academic in its approach.

Considerations of models and structures of quality assurance differ from region to region around the globe. This section delineates briefly some of the lessons the Bhutanese tertiary education institutions in general and the Royal University of Bhutan in particular can learn from. Players and/or stakeholders, the carrot-stick approach, stages and cycle of visits and reviews are considered. The states, society, students, institutions, political parties, agencies are some of the main stakeholders and players of any quality assurance mechanisms. Associations and agencies as quality assurance players are com-

mon in many countries that were researched. For example, Belgium has an inter-university council, general education council, social and economic council (Damme, 2004) and they act as pressure groups. Similarly, Australia established 'Universities Australia' in 2007 (Lim, 2008). Most of the universities are members of this association. Australia also has a national level agency known as the Australian Universities Quality Agency (AUQA). Both of these are entrusted with organized discipline reviews to assist in addressing quality issues. The United Kingdom has a similar agency: The Quality Assurance Agency (QAA). It is a UK wide organization, sponsored by the UK Higher Education Institution (HEI). Member institutions pay a subscription and heads of institutions are the company's shareholders. The Higher Education (HE) funding council delegates funding power to QAA. The governing body of QAA and the controlling body have external members who are non HE (Brennan & Williams, 2004).

The role of state becomes more prominent in countries where tertiary education in full or in part is funded by the government and the financial support comes with a price. The European lessons can be learnt through Belgium, the Netherlands and the UK. In general the main focus of the government (s) is on general regulatory frameworks, decisions regarding the planning of the supply of programmes by institutions and funding. The government has representatives in all the institutions. They monitor the results of quality reviews and ensure that the recommendations are followed up and the value for money is accounted through quantifiable indicators. Among others, access, success, equity, funding, internationalization, quality and flexibility are high on the agenda of political parties. A carrot-Stick principle seems to be in play. Financial support from the state equate to carrot while the obligations and accountability are the sticks that come along. Netherlands and the UK seem to suffer the stick part of principle where issuing of 'yellow card' applies when the institutions do not consistently perform well (Jeliazkova & Westerheijden, 2004; OECD, 2008). In worst scenarios, HEIs are suspended from receiving state funding when they do not improve their quality delivery of education after repeated issuance of yellow card. This is equivalent to 'red card' in a football game. The RUB colleges have not yet suffered such a hard stick. However, the tertiary education policy document does indicate possible sanction, as evident in this statement: "If the Tertiary Education Board has grounds for serious concerns about the quality of the programmes being offered, it may set up a review of the university leading to appropriate actions" (MOE, 2010, p. 21). Thus far, RUB has been exercising the role of the state in quality monitoring of its constituent colleges.

Insofar as the use of quality assurance system is concerned most of the countries researched appear to embrace both QA and AS. The US has embraced AS and of late many countries seem to move towards this system. Quality assurance mechanisms broadly cover the disciplines and the whole institution. Many countries are increasingly opting for whole institution review as opposed to discipline specific reviews (e.g. the UK, Australia). Be it at the level of an individual faculty/staff, a specific discipline/programme or a whole institution, the quality assurance exercise starts with a self-assessment/review report. The external review team hired and/or coordinated by state agencies namely, AUQA (Australia), QAA (the UK), PQC (RUB, Bhutan) begin their review by studying the self-review report. For example, the Flemish Belgium QA Model illustrates a comprehensive and an all-involving model including an important instrument, that is, legal backing. Many countries across the globe appear to have similar models. The implementation of the model takes place through a visitation scheme following some four phases: Preparatory, Site Visits, Publication of Report and Follow-up by Institutions (see Table 1 for details).

Table 1: Phases of Panel Visitations for Programmes Quality Review (Belgium)

Phases	Main tasks	Duration
Phase One: Preparatory	(a) Review panel is appointed, (b) Administer questionnaire to academics, administrative and technical staff, students, graduates, relevant stakeholders, (c) The programme directors do a critical analysis of the findings and integrate to self-assessment reports, (d) VLIR staff and programme directors edit the report, (e) Review panel meet several times to prepare the site visits, (f) Define and decide a common frame of reference.	Lasts for a year
Phase Two: Site Visits	(a) The panel interviews the personnel and students affected by the programmes under review, (b) The basis of the interview is the self-assessment report and documentation provided (sample of dissertations, coursework, examination questions, etc), (c) The panel gives an oral report to the committee that has prepared the visitation, and to the faculty and management of the university.	Duration would depend on the number of programmes but normally takes two and half days
Phase Three: Publication of report	(a) Report is published both on the internet and on paper, (b) Report includes reports on each of the programmes reviewed and a general, comparative report, (c) Also includes conclusions and recommendations of the panel for each of the quality aspects and indicators.	Published four months after the last visit by the review panel
Phase Four: Follow-up by institutions	The institution has legal obligation to reflect on the outcomes listed in the report. It give an account of the actions that it has taken.	Depends on the conclusions and recommendations

Source: Adapted from Damme (2004, in Namgyel, 2011, pp. 26-28)

The phases and stages of QA followed in Flemish Belgium are similar to those elsewhere and they appear to be universal. The ultimate goal of any QA model is ensuring accountability and improvement. Carrying out of regular self-assessments and submission of reports are mandatory in most countries which receive state funding. However, site visitation and auditing of performance at the institution is optional. Self-regulation through self-assessment is expected to bring improvement and hence this approach is encouraged. The US in particular uses self-reviews as quality assurance mechanism more prominently.

International experiences in relation to quality assurance show such elements as the frequency of quality review, follow up action on the evaluation reports, recommendations, and balance between accountability and autonomy. The frequency of quality monitoring visits and mandatory submission of self-assessment report differ in a range of twice a year to once in eight years. The studies show an expression of 'quality fatigue', 'quality burden' among HEIs. Instances of burden and fatigue relate to the menace of report writing, which requires the staff and institutions to spend a significant amount of time that often has to be done at the cost of academic teaching learning time. A danger seen is that programme directors at various levels may become experts in window dressing to meet deadlines.

A closely related lesson from international practices is the follow up action of the visitation reports. External evaluation systems and institutional audit help to ensure and safeguard the quality and standards of awards. Individual institutions' performance and their standing could help gain or bar themselves from securing financial support from the government (Brennan & Williams, 2004, QAA, 2006). For example, the UK QAA is seen as a body that brings together the accreditation and evaluation

schemes for "collegial accountability and self-improvement" (Davies, Douglas & Douglas (2007, p. 3). There are however some lapses. For some institutions it is not mandatory to act upon all recommendations made by the report. Research shows that only about 50% of the recommendations are followed up (e.g. in the Netherlands). However, a kind of sanction is also imposed to the quality monitoring agencies which produce weak reports and/or not performing their task well by deleting from the list of approved organizations. Similarly, there has been a loud call from some quarters of the American society pressurizing and demanding the reviews and decisions of external visitation be made more public in order that the stakeholders and decision makers concerned become more accountable. The voice of the public is that while the process of accreditation that entails visits and peer reviews is important, they would like to see the outcomes being more focused and visible.

The other international lesson worth noting concerns balance between accountability and autonomy. Because of the conditional funding universities and institutions receive from the government, accountability is a prominent focus of the model. There is a perceived danger that the process may compromise the autonomy of the higher education institutions, their independent thinking and originality. As a result, HEIs appear to be facing challenges and dilemma. While the institutions are happy to receive funding, there are also resistances to following rules, instructions and requirements that come as sticks and conditions at best and as injection of political agenda at worst.

Conclusions

This paper reviewed literatures relating to quality in higher education. A popular definition of quality is fitness for purpose, indicating that there is no one standard conceptual definition accepted across the globe. There are however characteristics of quality education: level of student achievement, ability and qualification of staff, standard of facilities and equipment, effectiveness of teaching, planning and administrative processes, and the relevance of programmes. Attention to quality in higher education concerns the need to make the consumers of education satisfied and the providers accountable.

The structural issue of education has the potential to impact quality. The inconsistent use of names and nomenclatures across the globe portrays a blurring scenario of higher education both abroad and at home. The use of terms such as 'university education', 'higher education', 'tertiary education', 'vocational education', and 'technical education', are a case in point. While each one of them is defined quite clearly in most countries, some appear to suffer a mixed structure. The issue of structure not only concerns the name and duration of a programme of study but also the existence of differing levels of education in the same institution, which deviate from the traditional definition of higher/university education. The current trend is that all types and levels of post school education are clubbed under the umbrella of 'tertiary education'. This trend appears to impact the focus of university education and its emphasis on the value of human development.

The other issue concerns the internationalization of higher education provisions. Almost all the universities and higher education institutions researched in this paper offer some of their courses to foreign students. The paper explored whether the purpose is for cultural and academic cross-fertilization or 'dollarization'. While at the surface level the purpose appear to be surrounding academic and cultural exchange and cross-fertilization but the hidden purpose is found to be dollarization with most countries.

For some countries higher education is some of the topmost revenue generating industries.

A number of quality assurance models and structures are available. While some countries are inclined to QA and AS, many adopt both systems thus portraying a blurred picture. Similarly, some countries prefer either institutional review or disciplinary review. Others accommodate both. Funding appears to be an incentive and regulatory tools are often employed by the government. There is a dynamic tension between funding and quality that may lead to the potential loss of autonomy and independence of higher education institutions for the sake of money.

Studies show that excessive reviews, monitoring, conditions and requirements make higher education institutions suffer from quality burden and quality fatigue thus creating impediments, rather than enabling conditions, for growth.

The Royal University of Bhutan has much to learn from international experiences. RUB is in its infant stage of development and the issues this paper attempted to delineate through the experiences of higher education institutions elsewhere may serve as vantage points for understanding its own definitions of quality, structures, internalization of courses, and quality assurance systems. If these international experiences are considered in a positive spirit, it is possible for RUB to establish its presence in the international higher education arena more prominently.

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Corporate Governance and the Role of Board of Directors: With Reference to DHI Companies

DAMBER SINGH KHARKA

Abstract

This paper explains the concepts and principles of corporate governance (CG) and describes the functions, procedures and practices of a company board in light of current literature. In doing so, current practices in Bhutanese companies, particularly of those linked to Druk Holding and Investments (DHI), are discussed and comparisons with best practices are drawn. Comparisons are made primarily in areas of CG principles and processes, roles of company board, and their composition and practices. Challenges faced by DHI companies in moving towards best practices in terms of ground realities and constraints are highlighted. CG assessment for DHI companies is based on my personal experience as board director in a few companies, as the head of corporate performance department that reviews CG issues, and my experience of working with CEOs and senior managers. Further, informal discussions with directors of several companies during the course of writing this paper helped me to validate the views I have expressed in the paper. DHI has made a beginning in its effort to adopt good practices advocated by the Organization for Economic Cooperation and Development (OECD), the International Finance Corporation (IFC) of the World Bank and others. Yet, ground realities suggest that DHI companies must work hard to excel in terms of CG processes, board processes, practice reformation, and human capital development. Lack of experienced and skilled people with qualities for board leadership has been identified as a major problem in forming balanced board structures and composition. Unclear and /or non-existence of clear charters/terms of reference for board committees in most companies affects the optimal functioning of board directors.

Introduction

Corporate governance has emerged as an important topic for research and discussion because of the downfall of several companies and economies in recent years. A majority of the downfalls, according to general belief, are attributed to prevalence of poor corporate governance. Companies around the world have faced issues of fraud, corruption and consequences of incompetent management. The need for comprehensive CG guidelines that provide direction for business control, checks and balances for ensuring management efficiency and effectiveness is increasingly gaining importance. The first part of this paper outlines the concepts, principles and importance of CG and compares these with the Bhutanese corporate governance scenario. The paper then discusses the functions of company board, composition, and liabilities and compares these with the Bhutanese scenario. Based on these it then draws up lessons for the future. Finally, the paper concludes with a description of the new initiatives that DHI has undertaken recently in corporate governance and identifies the way forward.

Corporate governance and its importance

Corporate Governance refers to the structures and processes for the direction and control of companies. It concerns relationships among management, board of directors, shareholders and other stakeholders. At the corporate level it refers to the rules and regulations that shape its effective operation.

Corporate level rules are drawn in line with the national level regulatory framework and enforcement mechanisms. Charkam (2003) states, "Corporate governance is a system by which banks are directed and controlled in pursuit of their goals, and by which they relate to their sources of capital".

A good CG system contributes to better corporate conduct, which relates to performances leading to financial sustainability by:

a) Improving corporate performance as good corporate processes ensure better decision making, enhance long term prosperity of the companies through better succession planning at management level, sound financial planning and proper target setting and monitoring of performances.

b) Improving access to capital since companies with sound CG are more transparent, protect shareholders and ensure accountability, as a result of which companies receive higher market valuation and attract capital for business expansion and new investment more easily.

c) Improving corporate integrity as good CG builds in a system that avoids corruption, business scandals, manages business risks and helps build corporate image.

Practice of good CG brings in a number of benefits to a company. Obviously a company with good CG will have better credit rating and easier access to capital (both equity and debt), lower cost of capital due to low risk factors, better operational performances due to proper oversight and monitoring and a more effective decision making process.

Literature and international best practices suggest that investors will be willing to pay much higher premium for shares in a company that has sound CG practices. McKinsey & Company conducted a series of "Investor Opinion Survey" in 2000 and 2002, which were validated again in 2005, for companies representing America, Europe, Middle East and Asia. The results consistently suggested that more than 75% of the investors in each region were willing to pay a premium ranging from 13% to 25% for shares of companies that had better CG practices in place.

Every shareholder, controlling or minority, aspires to good corporate governance principles to be in place in the companies where they have a stake. The OECD literature (1999, 2004) advocates four pillars and five basic principles of corporate governance. These pillars and principles focus on protecting shareholder rights, ensuring equitable treatment to all shareholders, ensuring proper disclosure and transparency, recognition of stakeholders' long-term interests, and the responsibilities of the board of directors.

The four pillars of Corporate Governance as advocated by OECD and IFC are:

1. Accountability: the Board and managers are held accountable if they fail to achieve organizational goals and objectives;

2. Fairness: every shareholder' rights and interests, including those of minority shareholders, should be protected while managing a company;

3. Transparency: the Board and managers should provide adequate access to information in a transparent manner to the stakeholders;

4. Responsibility: the Board and managers should practice proper code of conduct while taking decision for the company.

Assessment of CG scenario for DHI companies in relation to international practices

These pillars form the basis of the five principles of good corporate governance. The five principles provide the foundation for evaluating the corporate governance situation in any company. The role of board directors are linked to these principles. In the following section, I will discuss each of the five principles in relation to good corporate governance and provide an assessment of the practical realities of DHI companies vis-a-vis the role of board directors.

i) **Good board practices**

The first principle pertains to good board practices. A good board practice is underpinned by well defined powers and roles for the board; it must delineate clearly the duties and responsibilities of the directors; it must define clearly the structure and composition of the board, it procedures, the directors' remuneration, and its performance evaluation. DHI, at least in terms of providing guidance to the board and management of its companies, has developed an Ownership Policy (OP) document that describes the specific requirements in relation to board practices. However, since the implementation of the OP started only a few years ago, the extent of compliance by the board and management team in different companies and its effectiveness in terms of promoting good CG is yet to be seen. Some areas such as the board evaluation system, the appropriateness of board composition in terms of the mix of skills and experiences are at a premature stage at the moment.

Although the Ownership Policy provides guidelines in relation to different aspects of corporate governance such as the roles and responsibilities of the board and board procedures, DHI does not orient the directors regularly to these guidelines; it rather expects the directors to read the relevant documents and update their knowledge on their own. Therefore, although DHI provides short orientation programs to newly appointed directors, regular refreshers' programs for the senior directors will be important. Apart from what is laid down in the OP document, periodic training and exposure will be needed to enhance directors' knowledge, skills and professional competence in relation to corporate governance and leadership.

ii) **Transparent disclosure**

The second principle relates to transparent disclosure. It suggests that the financial reports prepared by the companies should clearly provide both financial and relevant non-financial disclosures. Companies must have annual reports published and also create web-based disclosures. The financial reports prepared and disclosed to the stakeholders should be based on principles and standards of international financial and reporting system. DHI companies are mandated to provide half yearly and annual report to the shareholders and these are made public through a press conference. The annual report of every company is a public document. However, web based disclosure systems are not yet a common practice among the companies, nor is any company International Financial Reporting

Standards (IFRS) compliant. Bhutan as a whole is not yet ready for IFRS although a gradual move in this direction is being made. Since the accounting standard is not as per IFRS, the quality of reports published by the companies in terms of consistency and standard is not without limitations.

iii)   Board commitment

The third principle is underpinned by the value of board commitment. It states that the boards of companies should discuss issues related to CG and form committees focused on improvement plans and development of governance codes, which should then be distributed to employees. The employees should be made aware of the company's expectations followed by periodic assessments to find out the improvements as a result of these. Although the boards of DHI companies discuss issues related to corporate governance, standard procedures and formal guidelines on addressing CG concerns, they are yet to make any headway in this direction. Boards set a few corporate governance targets for the companies but a system of creating champions and articulating and modeling the corporate governance code are not yet in place. DHI as a holding company has realized the importance of having a governance code and a corporate governance framework. It values the need for well-informed and well-trained directors and managers to implement sound corporate governance targets.

To this end, DHI has already started to develop the procedures as part of a three-year project supported by the World Bank. The project grant from the World Bank is aimed to improve corporate governance in state owned companies in Bhutan. It is expected that by the end of this project, DHI companies will see a big difference in way they are directed and managed.

iv)   The control environment

The fourth principle assumes the existence of a sound control environment. Accordingly, it assumes the existence of an independent audit committee, proper risk management frameworks, internal audit and   control procedures, independence of external audit, and compliance with rules and set procedures. In terms of control mechanism, I feel that the boards of DHI companies have done quite well. In fact, my view is that the Boards are now more involved in their companies' accountability and control aspects and spend less time on setting long-term strategic directions and planning. The four major spectrums of board functions are accountability, control, strategic direction and planning.

Normally the boards are expected to spend more time on strategies and planning functions. All the DHI companies have audit committees, internal audits and independent external audits. There are external audit checks on companies' compliances with the requirements of local laws and regulations and established business procedures. However, with the exception of financial institutions, other companies have provided risk management functions to the audit committee as their additional mandate. Detailed terms of reference for each committee and relevant charters are yet to be developed. But they are in the pipeline of DHI's medium term activities.

v) Well-defined shareholder rights

The fifth principle concerns the need for well-defined shareholder rights. It emphasizes the need to provide minority shareholders rights, policies on related-party transactions, extraordinary transaction, general meetings, and dividend policy. A good system is expected to have well defined policies

for each of these areas. In Bhutan, The Companies Act of Kingdom of Bhutan 2000, and the Ownership Policy of DHI lay down policies and norms for all these issues.

The dividends policy provided in the Companies Act is stated general terms but DHI follows a more detailed dividend system that takes into account into profitability, cash flows, investment plans, and DHI's remittance requirement to the Ministry of Finance.

Bhutan started late in the development and implementation of corporate governance principles but it is moving quite quickly with the implementation of OECD principles in the governance of state owned enterprises (SOEs) in particular. DHI was set up in November 2007 with the mandate to manage wealth and act as the investment arm of the government. In 2009 it became a member of the Asia network group for corporate governance. It has since then developed and provided guidelines to promote good corporate governance principles for the major SOEs and put in place an OP in line with good CG principles. The OP document provides corporate governance guidelines for the Board and the management of seven fully owned (with 100% holdings), two controlled (with more than 50% holdings) and eight linked companies (with less than 50% holdings) in Bhutan.

To promote good corporate culture and governance principles in the DHI companies, adoption of best practices from the region on skill development of board directors has been initiated. DHI has received the support of World Bank for development of corporate governance systems and human capacity development. With this support, in the next three years DHI will have put in place corporate governance code and evaluation frame work, a system for up-gradation of board and committee charters, skill development training for board of directors, and many other aspects of good corporate governance.

A review and assessment of the CG system and practices of DHI companies generally shows that although it is a very young holding company, it has made a good start. Initiatives taken in terms of development of policies, manuals, systems, and procedures are very encouraging. However, effectiveness in implementation and compliances by the companies needs to be periodically monitored. Developing the capabilities of the boards and management in implementing already developed and would-be developed CG systems is seen as a challenge. For example, at present there is a dearth of professionally trained members on the boards of DHI companies, which is largely true of any company board in Bhutan.

Due to lack of exposure and training of the directors, boards spend most of their time in short-term issues (monitoring and accountability) and focus poorly on setting strategic directions. As such, boards find themselves extensively discussing day-to-day operational issues. The management, either due to lack of clarity of roles or in order to pass the risk to the boards, put in a lot of operational matters for discussion at board meetings, which the boards accept.

Board issues: Best practices versus DHI companies responsibilities

A board of directors is expected to play a key role in corporate governance. The board has the responsibility of endorsing the organization's strategy, developing directional policy, appointing, supervising and remunerating senior executives, and ensuring accountability of the organization to its investors and authorities. William J. McDonough, president of the Federal Reserve Bank of New York, at his William

Taylor Memorial Lecture in 2002 said, "The board of directors is meant to oversee the development of overall strategy of the organization and the decisions made by the senior management in the pursuit of those strategic objectives". The statement clarifies that the focus of the directors should be on long-term strategic directions rather than on daily operational matters.

The board plays a crucial role in creating the economic value and long-term sustainability of a company. Good corporate governance systems go beyond development and implementation of just the regulatory processes and ensuring compliance requirements. Tricker (1994) suggests that the boards' role can be placed into four quadrants. Two of the four quadrants focus on accountability issues (more of compliance requirement from external viewpoints) and monitoring performance (focused on internal past/present matters). The board's roles placed on the other two quadrants pertain to setting strategic directions and framing policies, both of which are futuristic and long-term performance-oriented in nature.

Like MacDonough, Tricker also suggests that the boards provide more time and effort for long-term strategic roles than they do for short-term monitoring and accountability matters. Although monitoring performances and ensuring accountability are important functions of a board, literature shows that in terms of time, effort and energy inputs, strategy and policy oriented functions receive much higher priority. Adopting a similar view, Ard and Berg (2010) argue that many of the recent problems in the global financial arena are caused by flawed implementation of good principles and behaviors prompted by the need to increase short-term performance horizons. It indicates that good corporate governance principles should encourage a board of directors to focus on the long-term strategic and planning goals of their companies.

Shareholders provide equity capital in the business of a company. They have important powers but are limited in nature. Only they can appoint and dismiss directors. Their agreement is required only for certain types of business transactions, such as the raising of additional capital, or major acquisitions and disposals. All other business functions are entrusted to the Board of directors thereby separating the ownership and business management functions.

There is a triangular relationship between the shareholders, board directors and management of a company. Shareholders put in capital, appoint/dismiss directors and entrust the directors with the authority to run of the business. Directors owe their loyalty to the company and are accountable to the shareholders for their stewardship. Directors are the leaders of a company and their responsibilities relate to overall enterprise functions of the business. Through their enterprise functions directors drive the company forward by encouraging new ideas and innovation. Although the directors are ultimately accountable for the short-term operation and long-term strategies of the company, they are expected to put in more time and effort in setting up the company's business strategies and policies. They should delegate more of the operational functions to the management, monitor their performance and hold them accountable.

To be effective, a Board should have a mix of diverse experiences and technical and managerial skills from different functional disciples and sectors. The board directors should be able to analyze problems from different perspectives and take meaningful decisions. A board of directors is expected to be familiar with the internal strengths and weakness of the financial, human, technical and other physical assets of their company and be knowledgeable about the external environments that affect businesses. It is with a sound understanding of both the internal and external factors that affect business that the board

of directors is able to set goals and drive the company forward in achieving the set goals.

In Bhutanese companies the general powers of the board are laid down clearly in section 83 of the Companies Act of the Kingdom of Bhutan (2000). Further, DHI's OP, which follows international best practice, provides clarity to the Boards of DHI companies.

OP defines Board roles in almost the same way as the Tricker model that suggests emphasizes long-term strategic roles. My own personal experience and discussions with board directors and CEOs suggest that boards spend more time on accountability and performance functions rather than strategic and planning issues. Literature suggests that any board that functions effectively will have a clear set of duties and responsibilities, guidelines on structure and composition of the board, and system of practices and procedures for the board. In the following section I elaborate these issues and compare the current situation of DHI companies with international best practice.

Board composition, practices and procedures

Literature on OECD and IFC generally advocates a balanced board that has a proper mix of executive directors and non-executive directors. It also emphasizes the need for enough independent directors who do not have material relationship with the company beyond their directorship. Further, the composition of a board must be such that the directors bring skills, experiences and attributes from relevant industry and the professions. If a board has members with balanced personal attributes in terms of intellectual, managerial and emotional dimensions, then its composition is said to be optimal. Having a board with these attributes is not always possible in countries like Bhutan where the pool of people with desired qualities is normally scarce.

The Royal Civil Service Commission (RCSC) has many people with higher qualifications and experiences in specific disciplines but who may not be familiar with business/corporate management. In the corporate and private sector itself the pool of people who could be recruited as director is very limited. Due to the competitive nature of business in private and corporate sector and the attendant conflicts of interest the pool from which directors can be drawn is further reduced. Also getting people from the civil service to sit on company boards is not always easy as the process requires getting government clearance for appointment of a civil servant as a board director. Although DHI has been very careful in selecting and appointing directors for its companies, ensuring an optimal mix of directors with varied experiences, skills and knowledge has not always been practically feasible.

There are no sharp variations in the size of company board. The European average in 2007 was eight to twelve. DHI companies have maintained a board size of between seven and nine directors. A few companies where DHI does not have a majority shareholding have board size of up to eleven members. Boards of DHI companies are composed of civil servants, members from private firms, private individuals, DHI representatives and executives from the companies. Representatives from the private sector are more independent than the other members.

One area of board composition and structure where DHI companies need immediate improvement is to have effective board committees with clear mandates. As required by the OP, boards have formed committees but clarity on their roles, frequency of meetings, and independence of committee functions are far behind international practices. Most of the committees either do not have formal

charters and terms of references or they lack clarity. To address these issues DHI, with support from the World Bank, has started to develop corporate governance documents including charters for committees. Heidrick and Struggles (2007) reported that the average number of board committees in Europe is three. The most popular Board committees in companies in Europe, America and Asia are Audit, Remuneration and Nomination. For example, all DHI companies have Audit and Nomination committees. Remuneration committee is not popular among DHI companies as its functions are looked after by the board itself. Constituting relevant board committees is one thing but making it function with proper mandate, monitoring and evaluation system is another. Unlike board committees in developed countries, DHI companies have a long way to go before the board committees achieve meaningful results in terms of their roles.

Board practices and procedures are crucial elements of effective board function. Activities related to good board practices can generally be outlined as follows:

- Directors' preparedness for the board meeting: this includes ensuring that the board papers are received well in advance, agenda items and relevant write ups are read, additional information are sought if deemed necessary, enough homework on important agenda items are done and substantiated positions formed. Directors in DHI companies, judging purely from my personal experience, need to do more and be proactive to the required standards. Quite often the management gets away from being questioned for failure to deliver board papers in time.

- Conducting board meetings: decision with regard to number of agenda items, sequencing of items based on importance, allocation of agenda wise discussion time, assurance of participation by all directors, sticking to starting and ending time, meeting location, and voting procedures that need to be considered in relation to the conduct of board meetings. DHI companies at present do not meet international standards in relation to board meetings. An obvious reason is that our directors are not adequately trained in board procedures. Board chairperson has the most important role in seeing the effectiveness of board meetings. In most cases the Chair is appointed based on seniority and experience and lacks exposure and training in relation to board procedures. Patick Dunn (2005) reports that 62% of the board meetings in United Kingdom have time duration of 2-4 hours. Among the DHI companies, some meetings last for 8 to 10 hours. In many companies the role of board directors in setting the agenda is very little at present but improvements are visible. The board chairperson and the CEOs play a crucial role. There is a need for the other directors in DHI companies to play a more proactive   role in agenda setting than merely endorsing the list suggested by the CEO and the chair.

Fiduciary duties and liabilities

Loyalty and dedication to the company, integrity, transparency and fairness are basic principles that underpin good corporate governance, which a board director must uphold and not compromise under any circumstances. Charkam (2003) says that "integrity is indivisible" and it should exemplified by the directors themselves. As leaders, the directors should recognize the "dictates" of "commercial confidentiality"

and should consider "transparency to be the norm". Although the directors delegate most of the business operational functions to the managers, they are still accountable for the business performance. They ensure true and fair views on business performance through their periodic reporting to the shareholders.

Fiduciary principles, with which the board directors function, emphasize that the directors are the stewards of the shareholders in running the business. They must act with good faith in the interest of the company. It would be a breach of faith to be disloyal, to put one's interest before the companies' and to impart confidential or secret information to others (Charkham, 2003).

The fiduciary duties of the Board in relation to Bhutanese companies are clearly defined in section 91 of the Companies Act of the Kingdom of Bhutan (2000), which states the "standard of a care required of directors". According to this section:

> Every director of a company, in the exercise of his power and discharge of his duties under the provision of this Act or under the Articles, shall act honestly and in good faith in the best interests of the company and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Bhutanese law is very clear about the liabilities of the board directors. Chapter 34 of the Penal Code of Bhutan, sections 508, 509, 510, 511 and 512 explains the liabilities of board directors and managerial agents acting on behalf of the corporation or other business association. In particular, section 510 states:

A person convicted of an offence by reason of the legal accountability for the conduct of a corporation or other business association shall be subjected to the sentence authorized by law that can be imposed, when a natural person is convicted of that offence.

A company, which is a legal person in the eye of law, is convicted in the same manner as in the case of a natural person, and the agents (board directors) acting on its behalf are liable. Section 512 of the Penal Code states:

> In addition to prosecution of the corporation or other business association, members of the Board of Directors and high managerial agents also may be prosecuted and imposed fines and/ or sentenced to imprisonment for the same criminal conduct.

With the type of liabilities mentioned above on the one hand and no mention of insurance coverage for directors on the other, it is not easy to attract the required professionals into the boards of companies in Bhutan. Moreover, the low remuneration package for board directors in Bhutan continues to be a hurdle in securing the interest of professionals.

Companies in developed countries, from where we look at best practices, have insurance schemes to cover the liabilities of directors for any losses or damages incurred to the companies as long as damages are not intentional. In terms of remuneration packages, the European annual average of nine countries for 2007 was EURO 72,195. Of the nine countries, Switzerland paid the highest at Euro 139,752 and France paid the lowest at Euro 43,529 (Heidrick & Struggles, 2007).

In DHI companies, the annual average of remuneration is about Nu. 48,000 (less than Euro 1000) calculated on the assumption that the board meets on an average six times a year and pays the directors a fee of Nu. 8000 per meeting, as most of our companies do at present. Obviously it is not correct to compare Bhutanese companies with European ones at the face value of packages due to difference in several economic factors. However, when we convert it to a meaningfully comparable ratio -- remunera-

tion in terms of percentage of per capita income -- we find that ours is very low. Europeans pay about two or more times their per capita income whereas we pay about half our per capita income showing a ratio difference of about four times. It becomes publicly a very sensitive issue to talk about board remuneration packages in our context. Even with the present packages, public perception is that it is too high.

A few of the DHI companies and DHI board itself have maintained a board fee of Nu. 15,000.00 per meeting. At the initial stages, many public debates raised arguments which said that the fees were more than the monthly income of many ordinary citizens in Bhutan, which is true. On the other hand, when the packages are compared as a percentage of per capita income, the board fee in Bhutanese companies is not very significant. Further, given the boards' responsibilities and liabilities, packages should be made more attractive so that companies are able to draw more interest from the scarce skills pool available in the market and hold the board members more accountable for their decisions. Doing so and especially convincing the critics, remains a major challenge.

Conclusions

Although Bhutan started late it caught up quickly with the implementation of OECD principles in the governance of SOEs. DHI has developed and provided guidelines to promote good CG principles for the major SOEs and put in place an OP in line with OECD principles of good corporate governance. Ownership Policy provides corporate governance guidelines for the Board and management of company affairs. It provides clarity on governance approaches. Besides providing CG guidelines through ownership policy, DHI has initiated the signing of annual compacts with the board and management of its companies, which has enabled objective target setting, monitoring, evaluation and tie-up with performance based incentive schemes.

Introduction of a performance management system based on Kaplan's and Norton's model (performance management using Balance Scorecard) has eased boards' role in managing short-term performance and accountability issues. The Balance Scorecard system of performance management emphasizes improvement of customer satisfaction for improving financial performance. While customer satisfaction is caused by efficiency in internal business processes, improved business processes are the result of improved internal human and technical capabilities caused by improved learning and growth in the company. As stated earlier, annual compacts signed between the management and their boards and between the boards of the companies and DHI have made performance management more efficient. Performance of each company is reported and monitored periodically and accountabilities are fixed. By making companies more accountable and performance focused corporate governance has improved. Also, board and CEO evaluation systems have been developed and put in place.

To facilitate a smooth transition from a bureaucratic norm of running a company to a more corporate culture oriented practice, frequent round table meetings of CEOs and second level officials segmented by their areas of business disciplines and functions have been initiated. These meetings have been well received. Sharing of intercompany experiences, knowledge and skills through these meetings and interactions has provided opportunities for synergy, optimizing on economies of scale and cost savings.

Many of the SOEs in the Philippines have made it mandatory for a board director to attend an induction training program when s/he is appointed and finally get certified as professional director by completing programs especially designed for board directors. Similar skill enhancement systems exist in Singapore, Malaysia Thailand and other countries. It is not easy for DHI to have similar arrangements made for companies in Bhutan given the country's size and scale of economy. However, it is possible to make available similar programs through networks with regional institutions and professionals.

Realizing the importance of trained directors in its boards DHI has introduced a board orientation program and also conducted professional programs by using international experts. To address capacity development challenges in the long run, DHI could set up a CG capacity development unit or explore the possibility of institutions in Bhutan offering such programs. Such units could be networked with regional/international CG institutions and professionals so that we could have access to learning materials. Through such linkages, local materials could be developed and some local professionals could be trained as trainers who will then train the board directors and senior managers.

DHI could extend capacity development programs on CG even to those who may not currently be sitting directors on company boards. But if potential candidates in the private, corporate and government sectors are trained, the pool of people for appointment in future is expanded. Lessons from the literature suggest that continuous learning and growth at all levels of employees including the Board of directors is vital for improving corporate governance, hence corporate performance. Although, top-level leadership is primarily responsible for good CG in companies, the implementation function cuts across both the vertical and horizontal sides of a company's organogram. Therefore, it is important to train officials at the mid level and above is important.

In conclusion, it is evident that setting up properly designed CG systems, monitoring CG compliances by companies, strengthening the capacity of employees -- including the board directors -- will provide a strong foundation for companies to enhance their value. A good CG system will facilitate a company's access to capital at low cost, improve corporate performance, build the company's image, and bring in several other benefits to the company. By focusing on strategic issues and repositioning and reorganizing the company based on critical analyses of external and internal business environments, a well-balanced board will not only deliver short-term goals but bring in long-term value to the company.

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Mindfulness Education in the Royal University of Bhutan: Context, Present Status and Future Possibilities

DASHO PEMA THINLEY

Abstract

The Ministry of Education had been constantly challenged to find ways to teach fundamental Bhutanese values to the children and the youth of Bhutan, as the country faced the increasing impact of globalization. I was at the centre of this development from 1998 to 2007 as the Director, Director General and the Secretary of Education in the Ministry of Education. This situation has led me to engage myself in various activities including undertaking Goenka's ten day 'Vipyasana Meditation' and the traditional Buddhist 'mind training' program of 'Ngondro' or preliminary practice as well as engaging in many Buddhist discourses and continual reading and reflection, to find effective ways to teach children values. This exploration has led to the development of 'Mindfulness Education'. My engagement in working with this program has left me convinced that any meaningful education program has to include the profound values and practice of 'Mindfulness' which is about gaining control of one's thoughts and emotions and learning to use one's mental energies to positive ends. This constitutes the essence of 'Educating for GNH' which the Ministry of Education is promoting as an integral part of school education, starting 2010. I carried on my efforts in developing and promoting it in the Royal University of Bhutan as I moved to the University in 2007. This paper is an account of my perceptions about how 'Mindfulness Education' is taking its roots in the Royal University of Bhutan and how it needs to be nurtured.

Context

Whenever our teachers had the honour to meet His Majesty the Fourth King, Jigmi Singye Wangchuck, he would always remind us that the foremost responsibility of teachers is to 'Sem Gochoep Zoni' or teaching the children to direct their energies to activities that would benefit others around them, which would in fact bring greater happiness for themselves. On study and reflection I find this simple wish of His Majesty the Fourth King to be profound and so similar to what the celebrated seventh century Buddhist scholar, Shantideva (2008, p. 99) said:

> All those who suffer in the world do so because of their
> desire for their own happiness. All those happy in the world
> are so because of their desire for the happiness of others.

'Mindfulness Education' encapsulates the essence of 'Sem Gochoep Zoni'. Thinking back now, His Majesty the Fourth Druk Gyalpo envisioned 'Gross National Happiness' to be our philosophy of development and developing mindfulness in our children and youth to be the path to reach Gross National Happiness, for if most people genuinely put the welfare and wellbeing of others ahead of their own, then it would indeed promote a profoundly happy society.

Mindfulness Education is used to carry forward the idea of 'Sem Gochoep Zoni', the original concept of His Majesty the Fourth King, Jigmi Singye Wangchuck. Mindfulness Education involves

training one's mind to look in and become aware of one's thoughts and emotions, and learning to be mindful of one's actions in body speech and mind. It involves Zhiney (calm abiding) meditation or 'Mindfulness Practice', and cultivating values based on truths about one's life. 'Mindfulness Education' is about:

(i)   training to develop 'mindfulness' as a technique to investigate into one's own mind,

(ii)   developing positive values which govern one's behavior which determines one's happiness,

(iii)   learning to be aware of one's thoughts and emotions and to check on one's behavior, and

(iv)   training one's mind to enhance its potential which is almost limitless.

The two Colleges of Education -- in Samtse and Paro -- have been involved in promoting mindfulness education ever since the Ministry of Education embarked on promoting it throughout the education system and in particular in conducting formal 'Choedshe or Buddhist discourses' with Zhung Dratshang or the Central Monastic Body, since 2003. Because of its usefulness the 'Choedshe or Mindfulness Education' is now institutionalized within the Mind and Mindfulness Education Association formed with members from the Dratshang Lhentshog (Central Monastic Body), the Ministry of Education and the Royal University of Bhutan with her Royal Highness, Ashi Sonam Dechan Wangchuck as its patron since 2009.

Mindfulness Education gathered greater momentum when the Prime Minister of Bhutan, Lyonchoen Jigmi Y. Thinley initiated a week long seminar from 7th to 12th of December 2009, calling together 25 of the world's top educators in the fields of holistic education, eco-literacy and sustainability education, contemplative education, indigenous knowledge, and critical and analytical thinking along with 50 international observers from 16 countries with Bhutan's own leading educators to discuss and work out a way forward to infuse the Bhutanese education system with the values and principles of Gross National Happiness. The spirit of the discussion and dialogue is best captured in the Prime Minister's closing remarks to the conference, in which he said:

> At the end of our week together, it still feels somewhat easier to describe what such a graduate is not. We know that what we want to see is very different from the economic animal that conventional educational systems so often seem to nurture, where success is measured by money, career, acquisition, fame, power, and self-aggrandizement … Knowing how different our vision and goals are, we know with certainty that what we want to see is nothing less than transformative -- graduates who are genuine human beings, realizing their full and true potential, caring for others -- including other species, ecologically literate, contemplative as well as analytical in their understanding of the world, free of greed and without excessive desires; knowing, understanding, and appreciating completely that they are not separate from the natural world and from others;- in sum manifesting their humanity fully ... In the end, a GNH-educated graduate will have no doubt that his or her happiness derives only from contributing to the happiness of others.

Mindfulness education in the two Colleges of Education: present status

Considering the importance of teachers to influence the behavior of children and the youth of Bhutan, two programs have been introduced in the Colleges of Education:

(i)   a 'Ngoendro' and meditation programme for all student teachers as a core program, and

(ii)   an advanced program of 'Choeshey' and 'meditation' for those who choose to participate in more advanced practice, for faculty and students of the Royal University of Bhutan, and school teachers.

'Ngoendro' (preliminary practice) and meditation program

An 11 day teaching was conducted in April 2009 at Paro College of Education. The program consisted of 2 days each of teaching for the 1st , 2nd and 3rd Year students, 3 days for the 4th year students, a one day teaching on 'Bardho Thoedroel' or 'Liberation upon Hearing, and another day for 'Tangra' and 'wang'. The same program was repeated in Samtse College of Education in October 2009. The 11 day program was conducted again in Spring in Paro College of Education in 2010 which was repeated in Samtse College of Education in Autumn 2010. This program has now become a regular feature of the two colleges of education.

'Ngoendro' or 'preliminary practice' is an authentic Buddhist method of 'mind training'. Kalu Rinpoche (1991) provides an elaborate commentary on the whole 'Ngondo' practice. This course uses Buddhist practices to help students to understand themselves and help them to practice mindfulness. It is expected that the students would become more focused in their work and therefore better students, and that they would become mindful of their actions.

Delivery of the program

The program was delivered through an 11 days discourse, prayer recitations and meditation led by Yangpai Lopen Cimi of the Zhung Dratshang in 2009 and 2010, which has been continued by the Tshugla Lopen of Zhung Dratshang from 2011 onwards. The 'Ngoendro' recitation and short meditations are also included in the daily/weekly prayers and meditation sessions for the student teachers who are   encouraged to practice these on a continual basis to help them to integrate the new learnings in their daily lives. While student teachers are in the Colleges of Education for four years, they are expected to complete the basic program, to a point where they are able to reflect and practice it themselves. Those who make greater accomplishments would be encouraged to engage in more advanced courses, which are organized during holidays. It is hoped that out of the students who engage in advanced courses would arise some committed and accomplished teachers who could deliver the mindfulness program in schools and colleges in the future.

The themes of the course

It is envisaged that the students will be introduced and taught through the four progressive thematic stages outlined in the course content. The four themes roughly correspond to the four years of the teacher education program. At the same time, they are introduced to simple meditative techniques of focusing their minds on certain objects such as focusing on one's breath and watching one's mind, which they are   encouraged to practice for a few minutes every day. The details of the four progressive stages are as follows:

Phase 1:   Ngondro Part I: dissolving obscurations and changing one's view to life

The 'four methods of changing one's view to life' towards dissolving the obscurations and achieving ultimate happiness is introduced in the first phase. The four methods which are used are often referred to as four preliminaries, which consists of considering and reflecting on:

(i)   the preciousness of human existence or preciousness of the present moment
(ii)   the truth of death and impermanence
(iii)   the law of cause and effect
(iv)   The shortcomings of Samsara

This part is sometimes referred to as ordinary preliminary practice. The students at this stage are   introduced (or given the 'loong') to the whole text of 'Ngondro' preliminary practice. 'Loong is the transmission of the text to the disciples from the primordial Buddha to the present teacher through a succession of teachers. In the Kagyud tradition this would be from the primordial Buddha 'Dorjichang' to Tilopa, the first human being who received the wisdom to the next teacher Naropa all the way to the present teacher. This is transmitted through the reading of the 'Ngondro' text by the teacher with the disciples who would listen with full devotion.

After this the students are encouraged to recite the whole 'Ngondo' text including the four lines as part of their daily prayers, pending detailed presentation ('thri' and 'wang') of the rest of the preliminary practice in the second or the third year. The continuous repetition of the 'Ngondro' text is expected to lead the students to a profound understanding and internalization of the undeniable truths of life. 'Thri' is the discourse conducted by the teacher to explain the full meaning of the text. 'Wang' is empowering the disciples to carry out the practice which is done through an elaborate celebration in which the disciples are introduced to the nature of their minds.

To encourage the students to develop experiential wisdom, they are introduced to 'zhiney (or Shamatha) meditation' or 'Mindfulness Practice' as Chogyam Thrungpa (2003, p. 65), prefers to call it. The students are given short sessions of two to three minutes of guided 'mindfulness practice', two or three times a day for the two days of their engagement. In the Kagyud practice one form of Shamatha practice is called 'Ney jug rig' which means knowing, whenever one's mind remains in the present, as against when it wonders in thoughts in the past or the future, using breath as a reference point which represents the present. Chogyam Thrungpa (2003, p51) says, relating "directly to the present situation … is precisely what meditation-shamatha practice is all about. Just being there very simply, directly, conducting yourself very precisely, relating very thoroughly and fully". The whole point of this exercise is to learn to calm one's mind. Any action -- mental, verbal or physical performed through a calm and balanced mind is bound to be good bringing greater happiness to others and oneself. This phase of 'Ngondo' is limited to two days of teaching of four sessions of one and half to two hours each.

There are numerous ways of reinforcing the understanding of the themes introduced in 'Ngontro' teaching, and getting one to think about one's state of being as constituted by the mind and the body. One good way of doing this is thought to be through a discourse of the authentic text of 'Liberation Upon Hearing' or the 'Tibetan Book of Living and Dying'. This is offered as a whole day discourse to all students each year. Similarly, all students also partake in a day of offering (tangra and tshog) and empowerment (wang) celebrations.

Phase 2: Ngoendro Part II: orientation and introduction to the 'Awakened Mind'

This phase is structured around the theme of the 'presence of basic goodness or the awakened mind in all beings' which remain deluded and unrecognized because of passion, aggression, jealousy and pride, the

root cause of which is ignorance. As Shechen Gyeltshap (in Rabjam, 2006, pp. 29-31) says:

> Just as there is clear water
> Within the earth,
> Within the obscuring emotions
> There is great primordial wisdom.
> …...................
> Obscured by the deluded notions of subject and object,
> Shrouded in the cocoon of three habitual tendencies,
> Like a treasure hidden in a poor man's house,
> The nature remains unrecognized.

This phase therefore consists of extensive discussions on 'relative truth' and 'absolute truth, that is how it appears and what it is. Such a discourse is expected to lead one to realize how the afflictive mental states (emotions) of desire, hatred, pride, jealousy and confusion are continuously preoccupied by the eight worldly concerns, of pain and pleasure, gain and loss, fame and anonymity, and praise and blame that keeps them torn between hopes and fears and doubts and hesitations. They destroy any lasting happiness that one may experience (Rabjam, p. 72). If one realizes this, then one can feel only sorry and have compassion towards all beings and therefore feel the need to help.

So 'Chamdo' is a practice of seeking refuge in Buddha (the state of mind of basic goodness that all beings inherently have, Dharma (the path of Compassion through which one could realize it) and Sangha (all those who practice Dharma who could encourage and help in the journey). 'Semked' is the practice of cultivating 'Bodhichitta' -- the decision to attain enlightenment for the sake of all beings (Rinpoche, 2008, p. 49), which is the source of ultimate happiness. As Dudjom Rinpoche says, "our own mindfulness should be our own teacher. We must examine what is positive and what is negative with mindfulness … A virtuous mind is the source of happiness. A non-virtuous mind is the source of pain" (Rinpoche, 2003, p. 53).

The students in phase two continue to recite 'Ngondo' carry out 'Mindful practice' and partake in the 'Bardo teaching' and the ceremony of 'Tangra and Tshog offerings and the Wang' to deepen their understanding and practice. Because the subject is so vast and deep, as many repetitions are important to achieve a greater understand of one's being.

Phase 3:   Ngondro Part III: introduction to the method of realizing the awakened mind (Dorji   Sempa, Mendrel and Guru Yoga)

In this phase, the students are introduced to the main text of Ngoendro or the preliminary practice including 'Dorji Sempa, Mendrel and 'Guru Yoga', in full, in terms of 'lung' 'thri' and 'wang'. This lasts three days. The practice of 'Dorji Sempa' or 'Dribjang' is mental training of dissolving obscurations of passion, aggression, pride and jealousy which arises out of our ignorance through an exercise of visualization of draining out the accumulated negative karma from our body, speech and the mind as one recites the hundred syllable prayer. 'Mendrel' is a practice of detachment through an exercise of offering of all that is desirable in immeasurable quantities, including oneself -- the giver, for the benefit of all sentient beings, through visualization and recitation of prayers. 'Guru Yoga' is the practice of introducing and getting used to the nature of one's mind, the 'Buddha nature'. The routine of 'Ngondro' recitation, short

meditations and partaking in the 'Bardo' teachings, and 'Tangra and Tshog offering' and 'Wang' ceremonies are carried through all the sessions in the four years.

Phase 4:   Introduction to 'Ngoenshi' establishing practice

This phase reviews and establishes practice with more time being devoted to meditation. This phase considers developing the awakened mind through awakening Bodhichitta, and taking the Bodhisatva vow and the six paramitras and four limitless actions. More accomplished students are expected to be introduced to the practice of 'tshalung' and other advanced practices. Those who establish themselves into more advanced practice and are becoming accomplished are expected to be further supported so that they would form the core staff to lead choedshed program in schools as they graduate.

Choeshey and meditation practice for advanced students

A week long teaching and meditation programme led by Yangpei Lopen was conducted in 2009 and 2010 which were continued by Tshugla Lopen thereafter. This program is open to all the faculty and students of all Colleges of the Royal University of Bhutan as well as school teachers. This was hosted by Paro College of Education in the Summer Semester break in 2009 and 2010. A similar program was hosted by Samtse College of Education in the winter of 2009, which could not be conducted in 2010. However, the advanced practice of choeshey and meditation is expected to be further formalized and continued in the two Colleges of Education as an annual feature. The idea of the open teaching and meditation session is to lead those who are interested to advanced practice. This is seen to be a way of training teachers who could lead the teaching and meditation sessions in the colleges and schools.

During the training programme the participants are provided lodging in the College hostel and simple vegetarian food. The Colleges do not have a separate fund for this. Sustainability is going to be a challenge in the future. The program is yet to attract a larger number of students and more mature ones. It needs to be further developed and refined.

Introduction of 'Mind and Mindfulness Education' in RUB Colleges

Yangpei Lopen Chimi conducted an introductory session of choeshey program in the College of Science and Technology in Phuentsholing, as well as for the students of Royal Institute of Health Sciences and the Institute of Traditional Medicine in 2009 and 2010. Similarly, Tshugla Lopen conducted short sessions of choeshey program at Gaeddu College of Business Studies in 2009 as well as 2010.

Following the seminal workshop on Educating for GNH in 2009, the Royal University of Bhutan adopted 'Infusing GNH values and principles into the curriculum -- formal and informal' as a key performance indicator, which was pursued seriously by all the colleges in RUB. It is reported that in Paro College of Education they conduct a three minute guided meditation and recite the short Ngondro text in the morning assembly. The Institute of Language and Culture Studies engages in 5 minutes of meditation during the morning and evening prayers, a 2-3 minute meditation everyday in the first period, a 1-2 minute meditation every time there is a mass gathering. The students of the Royal Institute of Health Sciences conduct 1 to 2 minutes of meditation every Monday during the assembly. Sherubtse

College has reported that some students now practice meditation on a regular basis. More recently in 2011, the mindfulness association core group has broadened to include more faculty members. They have been attending meditation and Ngondro teachings with Rigpa Bhutan inspired and initiated by Sogyal Rinpoche. Similarly, the College of Natural Resources has started a 'Mindfulness Practice' program open to all staff and students.

The activities that the University carried out varied from considering launching formal courses in GNH/Values education and GNH/Values consistent classroom practices or pedagogy, to talks, seminars and discussions, forming Mindfulness Education Groups in each of the Colleges and conducting spiritual discourses, meditation and mindfulness practice sessions as well as enhanced community and social work. Of all these developments, the formation of the Mindfulness Education Groups, the development of the GNH/Values education course, GNH/Values consistent classroom practices and pedagogy, and Mindfulness Practices merit some discussion.

The Mind and Mindfulness Education Groups

Starting 2010, 'Mind and Mindfulness Education' Associations are formed as Clubs in all Colleges of the Royal University of Bhutan. The members are for now restricted to a few motivated faculty members and other staffs of the Colleges who are interested and have volunteered to be members of the association. The Directors of the Colleges are ex-officio associate members. They form the core group. It is hoped that others will join as associate members as time passes and the program takes root. The idea of forming such an association is to institutionalize a core group of motivated and committed group to lead and organize 'mindfulness education' activities in each of the Colleges.

At the start of each of the associations in the Colleges the members pledged themselves to be 'Aspiring Bodhisattvas' who would study and practice mindfulness to understand themselves with the intent of helping others in the College community. All the members are linked by email to each other to allow them to share experiences, authentic learning materials, and personal queries and doubts with other members across the University which forms a support community. It is now realized that the group could be organized through the use of the University's virtual learning environment. Further it is now envisaged that it would be useful for the group to meet in an annual conference. It is hoped that out of some of these Associations will emerge some accomplished teachers who would sustain and drive the program in the Colleges of the University

These associations could initiate 'Ngondro' teaching and meditation practice in the respective Colleges for students and members of the faculty who wish to do so. In fact, to encourage the students to read extensively while they are in the university, books related to mind and mindfulness education are made available in all Colleges.

Mindfulness practice

While 'Ngondro' or the 'preliminary practice is an authentic Buddhist Trantic mind training practice, it needs great effort and commitment. It is more difficult to encourage beginners. Through its association with Naropa University in Boulder, Colorado, the Royal University of Bhutan learnt about the

'Mindfulness Practice' Programs Chogyam Thrungpa Rinpoche developed to teach meditation to Western students. We find that Bhutanese students find this program useful to begin with. The University has run three to five days of 'Mindfulness Practice' programs with the support of visiting Naropa University faculty for at least four groups of 25 to 30 persons each.

As part of an RUB-Naropa University partnership to develop a Postgraduate Diploma in Counselling program which integrates Buddhist psychology and contemplative practice, two RUB lecturers have visited Naropa University for a semester's placement to study counselling. Both of these lecturers are members of the 'Mindfulness Education' Association in the two Colleges of Education. It is hoped that through these interactions the Royal University of Bhutan will be able to build its capacity to conduct 'Mindfulness Practice' programs.

Another refined and organized program which the University encourages any of the 'Mindfulness Education' Association members is S.N. Goenka's ten day Vipyasana program which is available in most cities of India, the nearest being in Kolkata. So far five persons across the University have underdone the ten day Vipyasana program. Three other persons who are members of the 'Mindfulness Education' Association had already undertaken the ten day Vipyasana course before they joined the Association. Both the 'Mindfulness Practice' program and the Vipyasana program are highly compatible with the traditional Ngondo practice.

The GNH/values education course

A GNH/Values Education course is also being developed with the assistance of Dr. Ross McDonald of the University of Auckland, which is intended to be offered across the whole University as a foundation course. This course is intended to allow the students to clarify their own values in relation to what type of world they think they would wish to live in. The process would provide a framework for evaluating current global social, cultural and ecological trends that are likely to impact Bhutan's future prospects. It will also help the students to explore opportunities for putting positive values into practice and to facilitate social, cultural and ecological harmony. Thus, they are able to consider ways in which individuals and organizations can apply positive values to realize GNH in practice. The exploration of critical global trends would involve considering happiness, materialism and ethics from both Western and Eastern perspectives. It is assumed that this pedagogical method will enable the students to do a critical comparison of 'GDP thinking' and 'GNH thinking' and ascertain how these ideals fit or do not fit their own ideas of progress.

Building GNH-consistent pedagogies

Professor Deborah Young of Naropa University was invited to work with lecturers of Paro College of Education to see how GNH values and principles could be imbedded in the newly created Bachelor of Education program for Primary teachers in Spring 2011. At the end of her six weeks work, it was concluded that "critical pedagogy and contemplative education offers an attitude as well as classroom strategies of how to transmit GNH principles through the formal curriculum" (Young, 2011, pp. 3-7) and that it would result in:

In the short run (1 to 3years)

(i) A faculty module which the faculty at the College of Education has to take. This module, of necessity has to be embedded in a 'Participatory Action Research' project which will take the faculty and the student teachers into the local schools "to observe, support and learn from and share with the effort of bringing GNH to the schools" (p.5). This course could be credited as a full module of the Postgraduate Diploma in Higher Education programme. This could further become the beginning of a PhD Education Program sometime in the near future.

(ii) Developing two modules for the Primary B.Ed curriculum -- one on 'contemplative education' and the other on 'critical pedagogy'.

(iii) Developing a follow-up coaching program for faculty to monitor and assess the implementation and the continued growth of faculty in contemplative educational strategies and critical pedagogy in the classroom.

(iv) Developing a follow-up coaching program for students to be utilized during the teaching practice (internship) that replicates or is similar to that of the faculty; and

(v) Developing a practice day for each semester during the academic year.

In the long run (3 to 10 years)

(vi) On-going research on the impact of the development of an intentional educational culture steeped in contemplative education and critical pedagogy and the emergence of GNH Practices.

(vii) Developing a fully credited program for the professional development of the faculty of the Royal University of Bhutan. This would form part of the Post Graduate Diploma in Higher Education programme that is being worked on in the University. Once it is fully developed it could have an international appeal and demand.

(viii) Developing a PhD Program.

(ix) Implementing a follow-up coaching program for the faculty and students.

(x) Developing on-going professional development programs for in-service administrators and teachers.

(xi) Developing a service component in the modules (real world engagement for students).

(xii) Implementing a practice day each semester for the entire campus -- faculty, administrators and students.

The University is convinced that this project will have a deep impact on Bhutan's efforts to infuse GNH values and principles in classrooms at all levels -- from primary to university. This work is programmed to start in the Spring Semester of 2012.

Future possibilities

Mindfulness Education provides many possibilities for the Royal University of Bhutan to brand the education that it provides by truly grounding it in GNH values and principles. In addition to all the usual disciplines that a student studies in a modern day university, the Royal University of Bhutan students will have a unique opportunity to be deeply reflective and to train to be mindful of all their actions. While one often sees good examples of attempts at providing more holistic education in parts of some bigger Universities, and even being practiced over the whole University in some small Universities and institutions such as Naropa University in the United States, RUB could become a unique case as a national university of a country that promotes Gross National Happiness as a development philosophy. It has the potential to attract the attention of universities across the globe as most of its educational programs are inward looking and seeks to study oneself, rather than outward looking seeking to understand everything around oneself.

The establishment of the 'mindfulness education' program as a pervasive system across the whole university would require total commitment and it would take a great deal of effort, resources and time. But it provides a unique opportunity for the Royal University of Bhutan. Going by its present momentum and the many positive effects it has had on people's lives, the prospects of its accomplishment look great. The basis for such an accomplishment is already unfolding as outlined earlier:

(i)   GNH inspired classroom pedagogy and practice
(ii)   GNH values education course
(iii)   Providing a GNH inspired learning environment with opportunities for mindfulness education

'Mind and Mindfulness Education' program will address the root cause of many of the problems if it is fully developed, promoted and encouraged in all our schools and educational institutions. Once most teachers are introduced to this program, they would find rich opportunities for integrating GNH themes meaningfully with most of the subjects that they teach. To do this, fine-tuning of the curriculum to include appropriate topics will of course be necessary. For instance, adding substantial art and music contents in the curriculum would support a GNH based educational program. The critical element that supports such a program will be the training of teachers to understand their minds and practice mindful living in their lives. When people become mindful of their actions, all the issues related to the four pillars (and beyond) of 'Gross National Happiness' will be addressed. Mind and mindfulness education is central to GNH based education.

Conclusions

Getting used to one's mind and learning to use the power of 'goodness, compassion, integrity and wisdom' that lie beneath the apparent confusion of anxiety, struggles and emotional upheavals of the mind, which meditation and contemplation bring it to bear, is the essence of mindfulness education. At the same time, mindfulness practice is about bringing our mind fully into the present moment (mindfulness) and continuing to bring back to it whenever we notice that it has drifted away (awareness). 'Mindfulness and awareness', as Dzogchen Ponlop (2010, p. 69) says, is essential for any kind of effective training. 'Mindfulness education' should therefore form the foundation of all education.

In the past, 'Mindful living' was taught informally within our extended families in the traditional Bhutanese homes which has kept people sane as a society. With the extended family system now breaking down, 'mindful living', which is the basis for one's sanity and happiness, has to be increasingly taught in our schools and colleges.

'Mindfulness education' has been initiated in the Royal University of Bhutan to support the most profound idea of Gross National Happiness, in earnest belief that it is truly necessary. It has to be fully integrated into all programs of the University if it is to make sustainable impact. This will require continued and persistent effort. The initiatives that the Royal University of Bhutan has taken to incorporate 'mindfulness education' are described in this paper to document the efforts and to share these with a wider audience. The explanations of the various aspects of 'Ngondro', which otherwise are available in an increasing number of publications as well with those who practice it, have been included here to make them available to many youth who have misconceptions about it.

Note: While the meditation practices could be informed by other traditions, it is thought that it should be kept closer to practices that are more familiar to Bhutan.

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