

Report on Bachelor/Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

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Advisor:	PhDr. Pavel Štika
Title of the thesis:	Economic Of Happiness: Bhutan's Vision of Development and its Challenges to Europe

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

In the thesis Mrs. Davaadorj analyses a Bhutan's happiness paradox – though the country is desperately poor in the terms of GDP it ranks a top place in a global life satisfaction comparison.

In the first part author prepares a theoretical background within a domain of happiness economics by explaining subjective well-being and life satisfaction concepts, Easterlin paradox (including related most recent discussions) and some other applications handling with GDP–happiness nexus. The chapter is concluded with illustratory econometrical micro- and macroeconomic functions of happiness.

Second part is devoted to socioeconomic description of the Kingdom of Bhutan and detailed description of a Gross National Happiness (GNH) concept. As a key goal of the GNH economic policy author finds the creation of an appropriate environment, where an individual can seek happiness. Indeed, an individual and his social and natural environment are the cornerstones of the GNH policy, instead of a notorious GDP growth. Economic indicators central to attention of the government are e.g. income distribution, indebtedness or usage of antidepressants.

In the last chapter authors critically points out few observations concerning our society from the Bhutanese point of view - low social/natural corporate responsibility or legitimate distrust of common people to political elites. Then follow some realistic recommendations for our economic policy (based mainly on Layard, 2006) – focus of income distribution, family friendly working conditions or reintroduction of education in moral.

Some critical comments

- the subchapter dedicated to macroeconomical view on Bhutan should be written more in the same tone as the rest of the thesis.
- in general author could dedicate few more hours to the technical things as chart description or appendix presentation

In general I find the thesis written very well, the structure is clear and balanced, all observations and conclusions are appropriately argued and the thesis is also consistent in presentation of the key (and non-trivial) ideas and conclusions. I recommend grade **"vyborne"** (very good, 1).

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
Literature (max. 20 points)	20
Methods (max. 30 points)	25
Contribution (max. 30 points)	30
Manuscript Form (max. 20 points)	10
TOTAL POINTS (max. 100 points)	85
GRADE (1 – 2 – 3 – 4)	

NAME OF THE REFEREE: Pavel Štika
DATE OF EVALUATION: 2009-08-31

Referee Signature