



***Measuring the Progress of Societies.
Measuring Beyond GDP: What to
Measure, How to Measure, Getting the
Measure Used***

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Beyond GDP

“The welfare of a nation can, therefore, scarcely be inferred from a measurement of national income as defined above.”

Simon Kuznets, 1934

- GDP is the gross total of the market value of all final goods and services produced in a given time. Only counts transactions in which money changes hands
- GDP is a “calculator which can add but not subtract” Higher crime rates, increased pollution and destruction of natural resources can appear as gains.
- GDP says nothing about the sustainability of growth
- Non-market production isn't counted
- GDP says nothing about distribution

Beyond GDP

- **So GDP is not the only measure of progress ... and was never meant to be.**
- **But if we need new measures then:**
 - **1. Who selects them and how?**
 - **2. How do we build them?**
 - **3. How do we get them used?**

Three Main Streams of Work

- **What to Measure – the political question**
- **How to Measure – the technical question**
- **Getting the Measures Used – the communication question**



What to Measure – the political question

Progress indicators as structural DNA codes

Statistical indicators are the structural DNA codes of nations. They reflect a society's values and goals and become the key drivers of economic and technological choices.

(Hazel Henderson)

Science, experts and human problems

We should be on our guard not to overestimate science and scientific methods when it is a question of human problems: and we should not assume that experts are the only ones who have a right to express themselves on questions affecting the organisation of society.

Albert Einstein

National Roundtables



How to Measure – the technical question

- Need to select the “best” existing progress indicators for the dimensions of progress
- Need to develop new indicators for new areas. For example, vulnerability or resilience
- Need to think about the balance between objective and subjective measurement

Getting the Measures Used – the communication question

- How we make sure that the masses of evidence - and the statistics - produced every day are actually used and become knowledge ?
- How to explain statistics to non specialist audience?
- What are the new possibilities that are opening in this area?

Getting the Measures Used – the communication question

How we make sure that the masses of evidence - and the statistics - produced every day are actually used and become knowledge ?

- (lack of) Statistics, Knowledge, Policy – Swine Flu



Getting the Measures Used – the communication question

How to explain statistics to non
specialist audience?

- Let's look at how Joseph Stiglitz and Robert Kennedy talk about the shortcomings of GDP

Getting the Measures Used – the communication question

What are the new possibilities that are opening in this area?

- For example Hans Rosling's GAPMINDER
- www.gapminder.org



Thank you