NEW PARADIGMS TO MEASURE PROGRESS

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The concept of social progress has been with us for thousands of years, from the earliest human civilisations. For modern societies, progress is often about improving wellbeing. A wellbeing framework is at the core of the Australian Treasury’s organisational identity and culture. Improving the wellbeing of the Australian people is central to the Australian Treasury’s mission statement.

The Commission on the Measurement of Economic Performance and Social Progress has admirably achieved its goals of looking at the limits of GDP as a measure of progress, identifying the elements that are more relevant to the measurement of progress and assessing the feasibility of alternative measurement methodologies. The Commission’s report also makes recommendations for improving the measurement of progress that will hopefully shift us to new measurement paradigms.

Improving the measures of progress is a commendable, but complex task. A shift to new paradigms to measure progress will also require a shift to new paradigms for considering and using such measures. As the Commission states, ‘what we measure affects what we do’. It affects judgements about the current state of affairs and what policy responses are needed. If we develop new measures we need to ensure we use them appropriately.