Measuring the Wellbeing Economy:

How to Go Beyond-GDP

WELLBEING ECONOMY ALLIANCE

WEAll Briefing Paper

Measuring the Wellbeing Economy:

How to Go Beyond-GDP

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Note to readers: We hope this short paper gives you a quick orientation to the rich, ongoing conversation around "Measuring a Wellbeing Economy". In Part 1, lead author Rutger Hoekstra describes what GDP is, where it came from, and why it remains the dominant measure of economic progress. Part 2 discusses some Beyond-GDP approaches and the barriers to adoption that these approaches face. Part 3 reviews major challenges and existing initiatives in the Beyond-GDP landscape, proposed approaches and reasons for optimism. Part 4 concludes with resources and recommendations for action and further learning.

Introduction

A vision for measuring a Wellbeing Economy

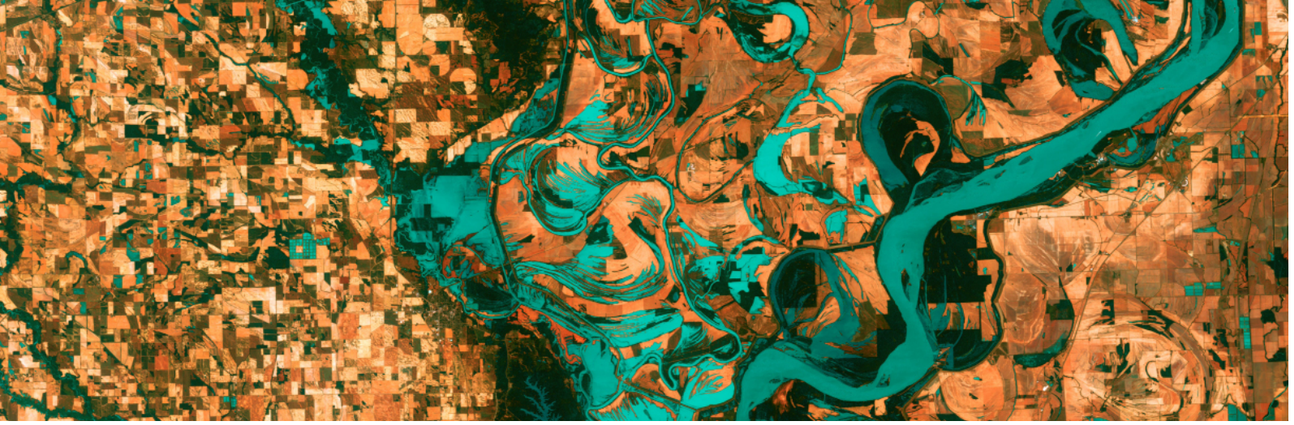
The COVID-19 pandemic is the most recent in a long line of crises affecting the global community. In this age, we are confronted by rising inequalities, populism, climate change, biodiversity loss, resource depletion, privacy issues, racial discrimination, corporate monopolies, and more. The pandemic has added a daunting global problem to that list and is exacerbating some existing crises. For example, inequalities have risen significantly, with US Billionaires increasing their wealth by $845 Billion in the first six months of the pandemic, whilst 50 million people lost their jobs[1]. However, the pandemic also provides a unique opportunity to tackle some of our greatest challenges as we work towards a post-COVID world. We have an opportunity to Build Back Better.

Our vision is clear. The next 10 years will be a defining period in the transition towards the Wellbeing Economy: a society that centres on human and environmental wellbeing. Defining measurable goals for society, governments, companies and people is an important part of that development. Why? It is often said, "You manage what you measure". If solely financial metrics continue to define the success of governments and companies, optimising for financial metrics will be the focus of policies. A crucial step towards a Wellbeing Economy is ensuring we know how to measure it.

Luckily, there is no need to start from scratch. For the last 50 years, many brilliant academics, influential scientific institutes, NGOs and creative citizens have proposed alternatives to GDP and have thought about how that could guide government policies or change narratives around economic success. If we are looking for alternative metrics, there is more than enough thinking out there. Now, we need to galvanise this knowledge into a coherent set of metrics which can be implemented all over the world.

The ultimate aim of wellbeing-oriented metrics is to replace GDP as the "key performance indicator", with those metrics that measure performance in terms of contribution to wellbeing, sustainability and equity. These alternative metrics would guide governments, companies, citizens and organisations to "manage" their activities differently i.e. implementing a new type of policymaking, replacing policies that are narrowly focused on economic growth. These alternative metrics will also contribute to shifting dominant societal narratives from "economic growth is good", to narratives that reinforce the goals of the wellbeing economy.

[1] https://americansfortaxfairness.org/billionaire-wealth-grew-845-billion-29-america-struggled-first-six-months-pandemic/



Part 1.
Explaining GDP

Gross Domestic Product (GDP) is equal to the monetary value of all products and services produced in a country. In essence it measures the size of the economy, but it has come to symbolise so much more. GDP is considered to be the most important indicator in society and is perceived by many as a measure of "success". When the economy grows, that is a good thing.
Growth = good! On the other hand, a profound feeling of unease or even panic spreads throughout society when the economy shrinks. The GDP narrative is perpetuated by many economists and governments and is spread to the general population through our 24-hour media culture. It is no wonder that many governments and political parties see economic growth as a crucial part of their political platform.

The Nobel Prize winner, Joe Stiglitz, refers to this phenomenon as "GDP-fetishism". He and other scientists have warned that GDP is not synonymous with success. In fact, growth-oriented policies often contradict societal goals such as collective wellbeing, environmental sustainability and equity. The economic growth of the last two decades has created meaningless "bullshit jobs" [2] (as coined by the late David Graeber) and accelerated global warming, biodiversity loss and growing inequalities in many countries. By focusing on economic growth, society is losing sight of our real goals and challenges.

Clearly, we need narratives and policies that aim to deliver collective wellbeing rather than economic growth. An important part of achieving the transition towards a Wellbeing Economy is changing the metrics used by governments and the media. Moving from GDP towards Wellbeing Economy indicators is not a magic bullet - many other actions are required to make this transition. Nevertheless, metrics are a crucial piece of the puzzle because they are the link to government policies and social narratives.

The Dominance of GDP and SNA
Before discussing metrics for the Wellbeing Economy, it is important to look at the history of GDP. It is hard to imagine, but GDP was not always as dominant as it is today. GDP's "rags-to-riches" story offers many insights into how an alternative might be created.

[2] https://www.strike.coop/bullshit-jobs/

The real breakthrough[3] for macro-economic measurement came after the Great Depression and Second World War. GDP measurement started in Europe and North America, but rapidly spread to developing countries in the '60s, '70s and '80s. Currently all 200+ countries in the world publish GDP figures, with many important countries publishing every quarter. Once released, the GDP figures are rapidly disseminated from statistical institutes to politicians, policymakers, academics, policy institutes, stockbrokers, the media and the general public. All countries calculate GDP figures using the same methodology, the System of National Accounts (SNA), which provides a complete overview of all economic transactions and stocks. The SNA provides a global definition for important economic variables such as consumption, investments, productivity, imports/exports and value added. Whether you are a macro-economist from Kenya, Indonesia or Italy, you will be able to understand your fellow economists because you share common terminology. This common language acts as a powerful tool for communication between economists, but these terms have also spread beyond this community, to the general public.

The SNA also plays an important role in policymaking. It provides the empirical basis to build policy models such as scenario analysis and projections from other complex models with impressive names like Computable General Equilibrium (CGE) or Dynamic Stochastic General Equilibrium (DSGE). Other tools, such as cost-benefit analysis, assess policy options by calculating alternatives based on their impact on GDP. Macro-economists advise policymakers based on outputs from these models; this advice, grounded in scientific and empirical evidence, is appreciated by decision makers who face complex decisions.

There is, therefore, a vast global infrastructure that is constantly churning out economic data and policy advice based on and reinforces GDP as the default way to define progress. The constant barrage of economic data and model results have had a profound effect on public discourse. The term "economic growth" was rarely used before WW2. Now, the term has become so common and well-known amongst citizens that it is often simply referred to as "growth", without the need for "economic" to precede it.

When economic growth is discussed, it is nearly always in a positive light. Even the adjectives that usually accompany the word are clear about what is favoured, such as a 'vibrant', 'dynamic' or 'surging' economy versus words like 'anaemic', 'stagnant' or 'poorly performing' economy. It is not very surprising that the "growth is good" mantra is so strongly ingrained in societal narratives. All in all, the post-war achievements of macro-economists are impressive. As two Nobel Prize winners, William Nordhaus and Paul Samuelson, phrased it: ***"While the GDP and the rest of the national income accounts may seem to be arcane concepts, they are truly among the great inventions of the twentieth century"***.

However, since its inception, there has been criticism of GDP. Simon Kuznets, one of the founding fathers of GDP said in 1934, "The welfare of a nation can scarcely be inferred from a measure of national income". Even politicians have long been aware of the shortcomings of GDP. Robert F. Kennedy famously said in 1968 that GDP ***"measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything in short, except that which makes life worthwhile."***

[3] Measurement of the macro-economy started with the Englishman William Petty in 1665. His statistical work was stimulated by the second English-Dutch war, and later surges in interest in national income often also had to do with wars or crises. https://www.theglobalist.com/warfare-and-the-invention-of-gdp/

Part 2.

Beyond-GDP Indicators And The Lack Of A Breakthrough

[4] See annex 1 of Hoekstra (2019) for an overview

To overcome the dominance of GDP, many scientists, institutes, governments and even private citizens have launched "Beyond-GDP" alternatives. This movement really took off in the 1970s, when many alternatives were proposed that measured phenomena that GDP did not adequately account for: wellbeing, household work, volunteering, environmental damages and inequality to name a few. In the past few decades, hundreds of different measurement initiatives have emerged.[4] Sometimes the Beyond-GDP alternative is an index, aggregated into a single number, like the **Human Development Index**. In other cases, it is captured by indicator "dashboards", like the **Sustainable Development Goals** (SDGs).

Figure 1 shows one of the prime Beyond-GDP indexes, proposed by well-known environmental economists: the **Genuine Progress Indicator (GPI)**. It is calculated by taking into account all the costs and benefits which are not included in GDP. For example, environmental damages are subtracted and increase in leisure time or the household work/care would be added. The figure shows global GDP growing constantly since the 1950s. The figure also shows that the Genuine Progress starts to flatten in the 1970s and even starts to diminish thereafter, primarily because of growing inequality and environmental pressures.

The graph shown in Figure 1 makes an important contribution to a broader discussion about the role of economic growth in our society. Some of the major camps in this debate such as "de-growth" and "green growth" are further discussed in Box 1.

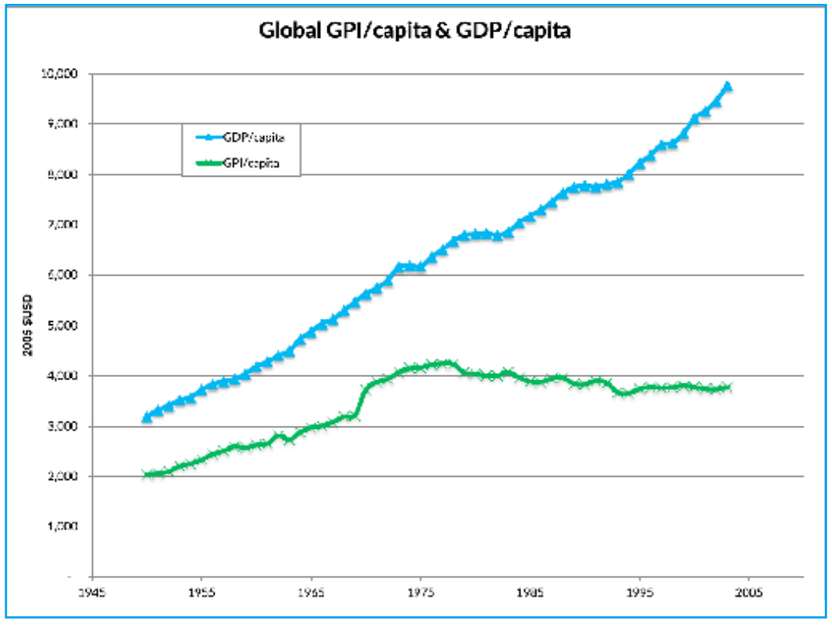


*Figure 1. Development of GDP vs. GPI (Source: **Kubiszewski et al, 2014**)*

[5] https://www.tandfonline.com/doi/full/10.1080/13563467.2019.1598964

[6] https://www.worldbank.org/en/news/press-release/2018/10/17/nearly-half-the-world-lives-on-less-than-550-a-day

[7] https://www.nature.com/articles/s41467-020-16941-y

BOX 1. GREEN GROWTH, DE-GROWTH AND GROWTH AGNOSTICISM

A core debate around GDP centres on the question: "Can economic growth continue while reducing pressures on the environment?" There are various perspectives.

Green Growth is the perspective that says both goals are attainable at the same time. We can keep growing, while at the same time keeping within planetary boundaries or even improving environmental conditions.

De-growth argues that 'green growth' is not possible. The only way to stay within planetary boundaries is to shrink the economy, not grow it.[5]

A third perspective is offered by Kate Raworth in Doughnut Economics and Jeroen van den Bergh (2017). They argue that we should be **agnostic about growth ("a-growth")**, because economic growth and GDP is only a means to an end, but not the goal of society. Increasing wellbeing and enhanced environmental sustainability should be the targets towards which we strive. Whether GDP increases or decreases is, therefore, irrelevant.

It should be noted that there are many variants and subtleties in the opinions of proponents of each of these perspectives. There are also various other labels such as "post-growth", which describe specific positions in the debate.

It is vital to specify what the growth debate means for people in various socio-economic positions in different regions of the world. Over half of the world's population lives on less than $5.50 US dollars a day.[6] For these billions of people, a rise in income is likely to contribute significantly to their wellbeing, while only increasing environmental impacts marginally.

It is people at the higher levels of income who lead environmentally damaging lifestyles for which additional income leads to little additional wellbeing.[7] Thus, many authors, including Prosperity Without Growth's Tim Jackson and Economics of Arrival's Williams and Trebeck have convincingly argued that to stay within planetary boundaries, the focus should be on making lifestyle changes in high-income countries.

Part 3.

Challenges and approaches for the measurement of the wellbeing economy

Despite 50 years of developing Beyond-GDP metrics and hundreds of initiatives, GDP is still the most influential indicator in society and none of the alternatives come close to its influence. There are three areas in which GDP is still superior to Beyond-GDP alternatives. Each of these areas should be addressed by the Beyond-GDP community:

1) **Harmonisation.** As discussed above, GDP is governed by a globally harmonised accounting framework, the System of National Accounts (SNA). The SNA is a co-production of international institutes and a globally organised group of national statistical institutes and provides a dictionary of terminology used by macro-economists all over the world. It is a wonderful symbol of global cooperation. In the case of Beyond-GDP measures, there is no global standard. On the contrary, there are hundreds of different measurement systems, each using different terminology. As a result, the definition of core concepts of this community such as wellbeing, welfare, happiness, sustainable development, etc., are not globally defined and there is confusion about their meaning. *We need to create a global, harmonised accounting framework which defines relevant terms of the Wellbeing Economy and provides globally harmonised indicators. The production of this information should subsequently be made mandatory for statistical institutes across the world.*

2) **Policy Tools.** When policymakers ask macro-economists to support their decision-making, they provide a variety of policy tools such as projections and other economic models. These policy tools are often based on the SNA framework, which provides all the underlying economic data that is needed for macro-economic models. *The wellbeing economy community should also offer a suite of policy tools that help policymakers with decisions aimed at enhancing wellbeing, sustainability and equity.*

3) **Social Narratives.** The greatest success of economists has probably been to shift the public narrative in their direction, instilling in post-war society the idea that, "Growth is good" and that GDP-growth is the key goal of governments. Economic terms such as 'economic growth', 'consumption', 'consumers' and 'productivity' are now common terms frequently used in our media and daily conversations. As a result, the 'economy' is seen as an objective phenomenon by the general public, while 'wellbeing' and 'sustainability' are often labelled as "vague". Given the diversity in the Beyond-GDP proposals and terminology, this is not surprising; this hampers the ability to shape the public narrative. *Beyond-GDP indicators should contribute to changing the social narrative towards the Wellbeing Economy, away from economic growth.*

For each of these three areas, Harmonisation, Policy, and Social Narratives, here is the current state of play for Beyond-GDP discussions and an overview of some Beyond-GDP initiatives.

Harmonisation

Harmonisation should be a major priority of the Beyond-GDP community. While the current diversity in the Beyond-GDP initiatives reflects the energy, innovation and passion of the people driving these initiatives, it is detrimental to the greater goal of replacing GDP. National governments and international institutes (UN, OECD, World Bank and IMF) should start the process of harmonisation of Beyond-GDP measures. How might that work?

Harmonisation starts by understanding how the various approaches are similar and how they are different. Although there are hundreds of Beyond-GDP measures, they can be split into four different methodological categories. Table 1 shows these approaches to Beyond-GDP measurement that are categorised based on two dimensions:

Index vs. Indicator Dashboards. Some initiatives propose a single index to replace GDP. The idea is to capture, in one number, all dimensions related to human wellbeing and sustainability. From a communication perspective, it is a clear benefit to have a single index. However, indicator dashboards stress that wellbeing and sustainability are multidimensional phenomena that cover health, education, social relations, economy, climate change, and biodiversity, all phenomena that cannot be captured in a common unit. This philosophy suggests that we cannot capture all of these dimensions in a single unit, and so a dashboard of indicators is preferable to a single index.

Conceptual vs. Stakeholder/Other Foundations. Conceptual Beyond-GDP initiatives start from a scientific conceptual foundation that assigns "weights" to various dimensions underlying wellbeing or sustainability, including economic, psychological, or biophysical theories. Other Beyond-GDP initiatives have a different foundation. For example, the Sustainable Development Goals (SDGs) were agreed in a political process involving the governments of the world and consultations with other stakeholders. There are also indexes that are based on mathematical techniques. For example, the Human Development Index uses a mathematical technique to aggregate dimensions like health, education and the economy of a country, without having a theory which defines the weights of these dimensions.

These four categories are rigid. Sometimes, an index may "tick" two dimensions. For example, the Better Life Initiative is principally a dashboard, but it also shows an index. Nevertheless, this categorisation provides a basis for comparison to start a harmonisation process. For readers wishing to know more, see the Appendix for additional explanation on conceptual approaches, such as green accounting, hedonic psychology and the Stiglitz report.

	INDEX	INDICATOR DASHBOARD
Conceptual foundation	**Economic concepts (Green Accounting)** Measure of Economic Welfare Index of Sustainable Economic Welfare Genuine Progress Indicator Genuine Savings/Adjusted Net Savings/ Comprehensive Wealth (World Bank) Inclusive Wealth Index (UN) Depletion-Adjusted Net Value Added[8] **Wellbeing concepts** Subjective Well-being U-index **Biophysical concepts** Ecological Footprint	**Economic concepts** Stiglitz-Sen-Fittoussi Commission (OECD) Conference of European Statisticians (CES) Recommendation on Measuring Sustainable Development (UN/ OECD/EC) Better Life Initiative (OECD) Living Standards Framework (New Zealand) Monitor of Wellbeing (The Netherlands) **Wellbeing concepts** Quality of Life Dashboard (Eurostat) Measures of National Well-Being Dashboard (UK) **Biophysical concepts/Social Floors** Planetary boundaries (Stockholm Resilience Institute) Doughnut Economics (Kate Raworth)
Stakeholder/ Mathematical foundation	**Mathematical index** Human Development Index (UN) Sustainable Society Index Happy Planet Index Social Progress Index SDG index	**Stakeholder/Political** Sustainable Development Goals (UN)

[8] This is a green accounting index from the SEEA which is the result of collaboration of the UN, EC, FAO, IMF, OECD and World Bank.

Table 1 shows just a few Beyond-GDP measurement systems; there are hundreds more.[9] Table 1 also illustrates the enormous differences in terminology for similar concepts: 'Wellbeing', 'Welfare', 'Sustainability', 'Sustainable Development', 'Happy Planet', 'Comprehensive Wealth', 'Genuine Savings', 'Inclusive Wealth', 'Human Development' or 'Quality of Life' are just some of the many terms. Only people who have spent years studying the underlying methodologies would understand the differences. This broad range of terminology leads to confusion within the Beyond-GDP community, while also delivering a confusing message to society.

[9] Note that these are measurement systems at the national level. At the corporate level there are even more measurement systems for Corporate Social Responsibility.

[10] https://seea.un.org/content/global-assessment-environmental-economic-accounting

[11] https://www.unece.org/fileadmin/DAM/stats/publications/2013/CES_SD_web.pdf

It might be concluded that harmonisation will be difficult because of the many different approaches to Beyond-GDP measurement. However, if we take a closer look, there are ample reasons to be optimistic:

Overlap. While Beyond-GDP initiatives may adopt many different names and terms, if you look at the underlying measurements, there is a great deal of overlap. Aspects like health, education, household work, volunteering, social relationships, climate change, air quality, crime and biodiversity are nearly always included in Beyond-GDP alternatives. Fundamentally, there is a great deal of agreement on important drivers of collective wellbeing.

Sustainable Development Goals. The SDGs, set of goals (or aspirations), have created a framework for global harmonisation. The SDGs were agreed in a powerful harmonisation process in which all countries cocreated and adopted the 17 SDG goals and 169 targets. The SDG agenda has helped shape the strategic goals of many international institutes, governments, companies, NGO and citizens and provided a good basis for understanding global priorities. It has also had spinoff benefits, such as the stimulation of global data collection.

Sustainable Development / Current vs. Future Wellbeing. Many initiatives are based on the Brundtland report definition of sustainability, "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Many initiatives, including the influential Stiglitz report (see Box 2), argue that it is important to distinguish two dimensions: current wellbeing ('here and now') and sustainability ('later').

Natural Capital Accounting. One of the advantages of the SNA is that its accounting structure makes it suitable for policy models; this structure is now also spreading to other domains. For example, in 2014, the United Nations, European Commission, OECD and World Bank adopted the System of Environmental Economic Accounting (SEEA), an international statistical standard for accounting for the environment (sometimes referred to as our 'natural capital'). Close to 100 countries have started to publish environmental stocks and flows using the SEEA methodology.[10] The European Commission has made it mandatory that all EU members publish environmental accounts every year.

International Institutes. The UN, World Bank, OECD and other major institutes have set up harmonised global measurement systems for many different domains. Although they may have chosen different methodological approaches (see Table 1), they have initiated working groups to look at the overlap between the initiatives.[11] There is also currently an interagency process between all major institutes to revise the SNA and a broader accounting framework (including the SEEA) as well as others.

From a conceptual point of view, there is strong potential to harmonise towards a global accounting framework and indicators. It is a matter of will and political backing. To achieve this, two things are crucial.

1. The Wellbeing Economy community should recognize that creating more measurement systems with different terminology is not helping to move this agenda forward. As a community, our energy should be focussed on working together towards shared and agreed upon global standards and terminology. This will require compromise and perhaps leaving behind some of the terms and indexes that are currently dear to us. ***For the greater good, we should stop developing new initiatives and even discontinue many of the current measurement systems. Harmonisation of current knowledge should be a central goal of the Beyond-GDP community.***

2. International institutes and national governments should start a process that would lead to a globally harmonised accounting framework and terminology, which allows for diversity in measurements at local and national level that reflect different contexts, values and objectives. Such a process could potentially link the harmonisation process to the achievement of the SDGs. ***Harmonisation can only succeed with the backing of international institutes and governments. The* Wellbeing Economy Governments Partnership (WEGo)*** *and other sympathetic governments could play a crucial role in promoting this harmonisation agenda.*

Policy Tools

Measurement is a retrospective exercise; it tells you how things have gone in the past. Policymakers want advice about the future. They want to know what policies they can implement to improve the lives of people. Which problems are greatest? How are problems interlinked? Are there trade-offs or synergies that should be taken into account? What policies are most (cost) effective if we want to enhance the Wellbeing Economy? The Wellbeing Economy community needs to provide policy tools that help policymakers answer these questions. These models will be based on the same empirical data which helped to understand past development. The data serves a dual purpose: it provides insights into where we currently stand, while also feeding the models that support decision-making about the future.

Scientists and policy institutes have developed various tools to support decision-making for the Wellbeing Economy. In many cases, they are economic models which have been or could be adapted to wellbeing policy. Some examples include:

1. Government Budgets. In 2019 the New Zealand Government introduced a 'wellbeing budget', which meant that the treasury distributed its resources based on wellbeing considerations. In this process, measurements can support prioritisation of policy issues. For example, the use of an indicator dashboard (the **Living Standards Framework**) in the budgeting process allowed the treasury to identify groups for which wellbeing policy needed to be intensified: mental health, youth wellbeing and the Maori.

2. Scenarios. One of the most powerful insights provided by economic policy institutes are projections of GDP figures for the short, medium, and long term. Similar forward-looking models are needed for the Wellbeing Economy. There are currently models, such as **Integrated Assessment Models (IAMs)**, which simultaneously project GDP and climate change. These models are for a single environmental problem only, but these types of models might serve as a template for broader projections of all facets of the Wellbeing Economy.

3. Policy impact. Economists have complex economic models, such as Computable General Equilibrium (CGE) model, that can be used to model the economic impact of a policy intervention such as a tax increase. These models have also been adapted to environmental issues, to calculate the impact of carbon taxes or other environmental policies. These types of models should also be adapted to include more aspects of the Wellbeing Economy.

4. Weighing policy options. Sometimes policymakers want to compare two policy options to see which one performs best. Economists often use cost-benefit analysis to estimate the financial return of a project. The 'social cost-benefit analysis' expands this method to include social and environmental impacts. This analysis method was used in the New Zealand Wellbeing Budget process, as well as many other countries, to weigh policy options or rank investment options.

5. Evaluation of policies. After policies have been implemented, it is also important to evaluate their effectiveness. In the Netherlands, the Monitor of Wellbeing is presented on 'Evaluation day', which is a formal parliamentary debate about the government's overall performance in the previous year. Rather than looking solely at economic performance, the **Monitor of Wellbeing** is based on indicator dashboards inspired by the Stiglitz report, the Conference of European Statisticians measurement framework and the Sustainable Development Goals.

These are just a couple of examples of models that will be needed to create policies for the Wellbeing Economy. Far more work needs to be done to give policymakers these decision-making tools. Often, this is a matter of adapting existing economic tools; in other cases, novel approaches may be necessary. Again, harmonisation and international cooperation is crucial to push this agenda forward.

The dual crises of the pandemic and climate change have created a period of experimentation during which we must think creatively about how to support decision-makers. In this phase, it is also important that countries work together to learn from each other and create shared tools and metrics. The WEGo collaboration is a great forum to facilitate this type of discussion. The OECD could also play a pivotal role because it has been collecting insights on how wellbeing policies can be implemented.

Societal Narratives

Measurement and policy tools are technocratic processes that influence the way that government and academics think and (inter)act. However, the dominance of economic narratives and statistics also has a profound influence on social discourse. Economic theories, policies and indicators have influenced conversation in post-WW2 society. To illustrate this, Figure 2 shows the prevalence of certain words (as a share of total articles) in the New York Times (the "newspaper of record") from 1923 to 2020. For the 2020s, only data for the first 6 months of 2020 is used. While 'social discourse' is more than the words in a newspaper, these archives do provide an indication of shifts in societal conversation.

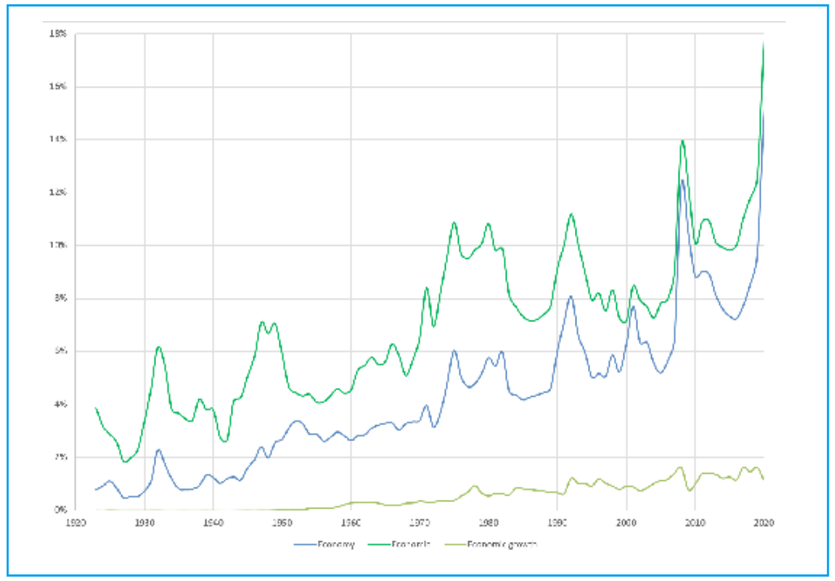


Figure 2. Percentage of articles in the New York Times with certain words/word combinations. Source: 1923-1969 – Pro-Quest historical newspapers; 1970-2020 – New York Times online archive

To a modern-day citizen, it may seem strange that words like 'economy' and 'economic' were rarely used in the 1920s. The term 'economic growth' simply did not exist until it started to be used in the early 1960s. Figure 2 shows a gradual popularisation of these terms, which are core to the economic narrative. The figure also shows that the economic narrative peaked during periods of economic turmoil, such as the Great Depression, post-wars recessions in the 1970s, early 1980s, early 1990s, early 2000s, the Financial Crisis and the COVID-crisis. However, each time a crisis ended, the economic narrative consolidated at a higher level. In other words, each economic crisis makes the use of these words -- and the narrative behind them -- more pervasive. The most recent peak occurred as a result of the COVID-19 pandemic and the subsequent economic collapse. The word 'economic' was used in 18% of all articles in the New York Times in the period January 1st-June 30th, 2020, while 'economy' was used in one sixth of all articles.

By contrast, how often do narratives and terminology related to the Wellbeing Economy appear in articles over the same time period? The disappointing conclusion is that the indicators reviewed in Table 1 cannot be displayed meaningfully in Figure 2. The Human Development Index has only been mentioned in 187 articles since its inception in 1990. The more recent "Sustainable Development Goals", which were agreed upon in 2015, are referred to in 88 articles. The ecological footprint is mentioned 48 times. All others major initiatives are mentioned less than 10 times.

In total, the major Beyond-GDP initiatives (GPI, BLI, ISEW, SDG, HDI and ecological footprint) were only mentioned in 0.011% of articles between 1990 and mid-2020. The prevalence of 'gross domestic product" in New York Times articles is 46 times greater for that same period. 'Economic growth', which is a synonym of 'GDP growth', is 99 times more prevalent. 'The Economy', which is often equated to absolute GDP, is used 312 times more. Bottom line: the average reader of The Times is inundated with economic narratives every day, while reading hardly anything about Beyond-GDP alternatives.

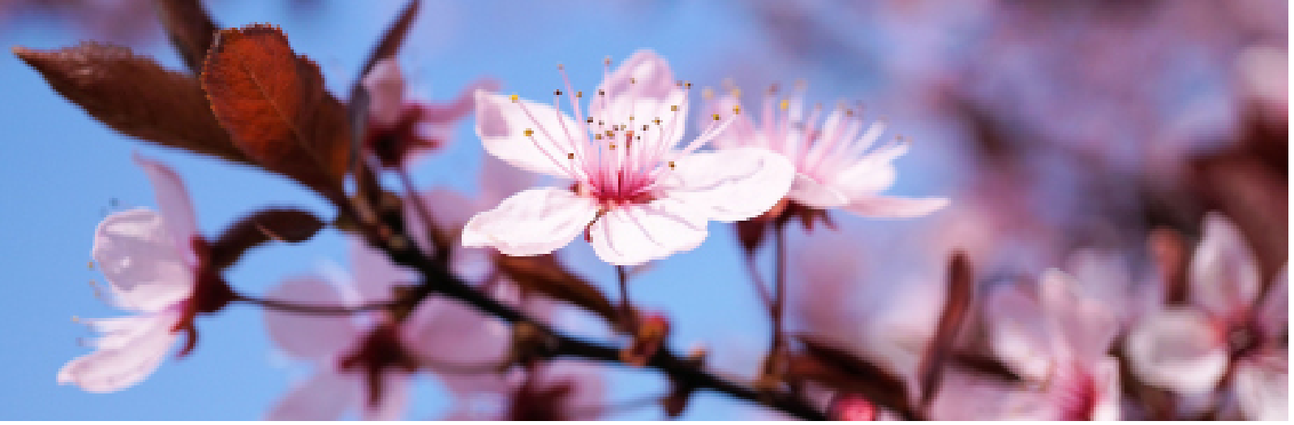
Despite this, there are some hopeful signs. Our analysis of The Times also shows that attention for specific problems is increasing rapidly. For example, the prevalence of the terms 'climate change', 'poverty' and 'inequality' are becoming far more commonly used over time.

The importance of economic narratives is not exclusive to the New York Times. Online outlets, 24-hour news networks and social media are constantly passing on stock market and economic data, furthering the economic narrative. The ultimate aim of the Beyond-GDP process is to replace this dominant narrative and replace it with the narratives of the Wellbeing Economy. How can this process of narrative change be accelerated?

1. The harmonisation process advocated above will show the Wellbeing Economy community which terms and indicators to promote and rally around. This will make it much easier for journalists to use these terms, because they will not have to search and compare the many alternatives or choose which terms to use.

2. The harmonisation process should prioritise socially intuitive indicators that citizens can equate to their own lives. For example, time-use measures track the time and wellbeing impacts of activities e.g. work, leisure, taking care of children etc. This is an intuitive way for people to link wellbeing measurement to their own daily lives.

3. Education is vital. The next generation of statisticians, scientists, policymakers, politicians, journalists and the general public needs to understand that there are alternative, Wellbeing Economy terms and metrics. They need guidance on what they mean and how to use them.



Part 4.

Turning beyond-GDP solutions into action

To achieve the vision of measuring a Wellbeing Economy with Beyond-GDP approaches, the following actions represent current thinking on what can be done and summarise ideas presented in this paper:

UN, OECD, World Bank and IMF

- Initiate a global Beyond-GDP harmonisation process
- Create a new accounting framework (which connects the SNA, the SDGs and other major initiatives)
- Help collect information on policy tools which can be applied to create policies for the Wellbeing Economy
- Synthesise national statistics into global databases to be used all over the world.

WEGo / National Governments

- Support the international harmonisation process
- Report wellbeing and sustainability metrics with higher frequency and timeliness than GDP.
- Create and implement wellbeing policy tools based on Beyond-GDP metrics

Academics/Policy Institutes

- Create wellbeing policy tools based on Beyond-GDP metrics

Companies/Accountants

- Support harmonisation efforts at the company level
- Create new accounting standards to reflect the impact of a company on wellbeing, sustainability and equity.

Media

- Reduce support for the economic narrative
- Increase visibility of the Wellbeing Economy narrative

Civil Society

- Promote societal narratives based on wellbeing and sustainability metrics
- Engage with harmonisation efforts and contribute to discussions and debates nationally and internationally
- Wherever possible, trial Beyond-GDP indexes in local projects and initiatives, in order to promote their use and demonstrate how they can be used in practical ways

One suggestion of what not to do (for all stakeholders):

- Do not create additional Beyond-GDP indexes or dashboards! Given today's data availability, it is all too easy to create a new index or dashboard. Please resist the urge to do so. Simply adopt one of the existing measures, or even better, support harmonisation efforts.

Conclusion:

Where can you get involved?

We hope this short paper helps you understand more about the diverse field of Beyond-GDP scholarship and practice, and some approaches for moving them forward in service of a Wellbeing Economy. We invite you to join the "Measuring the Wellbeing Economy" group on the WEAll Citizens platform, where people can discuss the topic and work on transforming "knowledge into action" around the three pillars identified in this paper (Harmonisation, Policy Models and Social Narratives) to create change, globally.

Appendix A.

References/ Where can I learn more?

Books (alphabetically-author)

- GDP: A Brief but Affectionate History – Diane Coyle
- Gross Domestic Problem and The World After GDP – Lorenzo Fioramonti
- Replacing GDP by 2030 – Rutger Hoekstra
- Prosperity Without Growth – Tim Jackson
- Happiness - Richard Layard
- The Value of Everything – Marianna Mazzucato
- The Little Big Number – Dirk Philipsen
- Doughnut Economics – Kate Raworth
- Mismeasuring Our Lives – Joseph Stiglitz, Amartya Sen Jean-Paul Fitoussi
- Measuring What Counts – Joseph Stiglitz, Jean-Paul Fitoussi and Martine Durand
- Economics of Arrival – Jeremy Williams and Katherine Trebeck

Papers/Important reports (chronologically)

- "Stiglitz Report" (2009) Commission on the Measurement of Economic Performance and Social Progress
- The GDP Paradox (2009). Journal of Economic Psychology – Jeroen Van Den Bergh
- Time to Leave GDP Behind, (2014). Nature – Costanza, Kubiszewski, Giovannini, Lovins, McGlade, Pickett, Ragnarsdóttir, Roberts, De Vogli and Wilkinson
- CES (Conference of European Statisticians) Recommendations on Measuring Sustainable Development (2014) – Task Force For Measuring Sustainable Development (UN-ECE, OECD and Eurostat)
- High-Level Expert Group on the Measurement of Economic Performance and Social Progress (HLEG) (2018) (OECD)

Initiatives Websites Including Data and Reports (alphabetically)

- Better Life Initiative (OECD)
- Beyond-GDP (European Commission)
- The Changing Wealth of Nations (World Bank)
- Ecological Footprint (Global Footprint Network)
- Human Development Index (United Nations)
- Inclusive Wealth Report (United Nations)
- Sustainable Development Goals (United Nations)
- Sustainable Development Report (Sustainable Development Solution Network)
- The Wealth Economy (Cambridge University)
- World Development Report (World Bank)

Scholars

- Robert Costanza
- Diane Coyle
- Jean-Paul Fitoussi
- Rutger Hoekstra
- Tim Jackson
- Daniel Kahneman
- Ida Kubiszewski
- Richard Layard
- Dirk Philipsen
- Kate Raworth
- Amartya Sen
- Joe Stiglitz
- Jeroen Van Den Bergh

Appendix B.

Conceptual foundations: Economic, Wellbeing and Biophysical

ECONOMIC CONCEPTS (GREEN ACCOUNTING AND THE STIGLITZ REPORT)

GDP does not include leisure time, household production, care for our loved ones or environmental damages. Since the early 1970s, economists have been trying to remedy this by adding/subtracting these types of components to/from GDP to arrive at a Green Accounting index, which is a better measure of welfare. To do so, you need to put a monetary value on the various social and environmental "externalities".[12] A famous example is the Genuine Progress Indicator (GPI), which has been adopted by several US states.

A second type of green accounting index is based on the "capital approach". This theory assumes that societies have various assets: economic, natural, human and social capital. These capital stocks can be used for the wellbeing of the current generation or we can leave them to future generations. Clearly, this approach is attractive when the aim is to stress the intergenerational nature of sustainability. To create an index, all these capital stocks need to be measured in monetary terms.

However, there is criticism of monetisation techniques from some economists and non-economists alike. In 2009, a commission led by Economics Nobel Prize winners Stiglitz and Sen advised that a dashboard of indicators should be used rather than striving for a single monetised index. The theoretical foundation of the dashboard was the capital approach. However, rather than a single monetary index, they advised on one dashboard for the current wellbeing and one for future wellbeing. The Conference of European Statisticians recommendations on Measuring Sustainable Development later used this input to create indicators for the "here and now" and "later".

Wellbeing Concepts

Some measurement systems for wellbeing are based on direct measurement of wellbeing. For example, a well-known measure is 'subjective wellbeing', which can be collected using various questions in questionnaires, such as: "All things considered, how satisfied are you with your life as a whole these days?" These types of questionnaires have a long history since the post-WW2 period and have led to the field of "happiness economics". Recently, the OECD published a handbook on how to measure subjective wellbeing (OECD, 2015).

A second type of wellbeing measurements has been created by Nobel Prize winner Daniel Kahneman and Alan Krueger. They took the 24 hours in a day as the basis and asked the respondents to indicate their feelings during the various activities during a day. The U-index is the percentage of time spent on unpleasant activities, as explained in the book Thinking Fast and Slow.

There are also initiatives, such as the work of Eurostat on the quality of life (QoL) measures, which measure the various dimensions in a dashboard of indicators.

Biophysical concepts/Social Floors

Sometimes, biophysical concepts are used for Beyond-GDP indicators. For example, a biophysical index is the ecological footprint which calculates the area needed to satisfy human consumption (including the forested area needed to compensate for the CO2 emissions). Ecological footprint calculations have shown that World Overshoot day, the day that human consumption exceeds the earth's biophysical capacity, is on August 22 for 2020 (Global Footprint network). The concept of 'planetary boundaries' is a concept introduced by Johan Röckstrom and colleagues. It is not an index, but a set of 7 environmental themes where the biophysical limits of our planet are threatened.

Kate Raworth's best-selling book 'Doughnut Economics' combines two conceptual approaches to create a dashboard: planetary boundaries and the concept of social floors. The 'social floors' approach points to minimum thresholds for the basic needs of life.

[12] One of the most famous studies is Costanza et al, 1997

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