

Beyond GDP: The Ongoing Search to Measure “Wellbeing”



- OLLI Fall Term 2022
- Wednesdays, 1-3pm
- Sept. 14 thru Nov. 2
- Co-facilitators:

David Carlson,
EEE Forum founder
and
Paul Belanger,
EEE Forum webmaster

Have attempts to "fix" GDP been successful?

Session #2 Outline

- Highlights from Session 1
- Early attempts to go Beyond GDP: **MEW** and **ISEW**
- Guest presentation #1 and Q&A: **Genuine Progress Indicator**
- 5-minute break
- Guest presentation #2 and Q&A: **Spaceship Earth Economics**
- Looking ahead to Session #3 (September 28th)

Session 1 Highlights: GDP and “Going Beyond”

1. ***GDP** measures the value of the final goods and services produced in the United States (without double counting).*
2. The origins of GDP are rooted in grappling with the Great Depression (**National Income**) and resolving the “guns vs. butter” issue during World War II (**Gross National Product**)
3. In both cases, it took a crisis to call forth from the federal government an authoritative consensus-based statistic.
4. There is no single definition of “Wellbeing” (CDC), so we consider it a broad “umbrella” term in this course.

How accurately does Gross National Product (GNP) reflect a society's overall wellbeing?



“We must be highly skeptical of the view that long-term changes in the rate of growth of welfare can be gauged even roughly from changes in the rate of growth of output.”

--Moses Abramovitz,
Stanford economist (1959)

Testing the correlation of GNP with Wellbeing

- Basic idea: *Develop a direct index of economic welfare (i.e., economic wellbeing) and compare the index to GNP over time.*
- **MEW** (Measured Economic Welfare, 1972). Results: MEW index **positively correlated** with GNP for the period 1929-65.
- **ISEW** (Index of Sustainable Economic Welfare, 1989). Results:
 - First**, MEW/GNP correlation was positive for the 1929-47 period, but negative for the 1948-65 period.
 - Second**, ISEW/GNP correlation was positive up to 1980, then slightly negative thereafter.

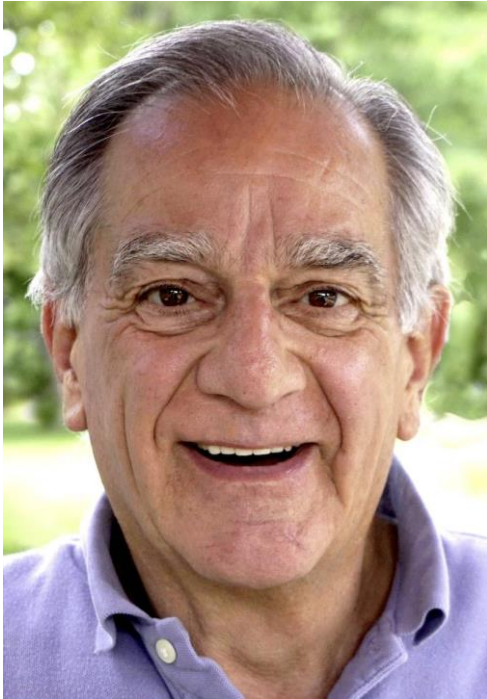
Week #2 -- 1st Guest Presentation: “The Genuine Progress Indicator”



**Chris
Stiffler**

- Economist, Colorado Fiscal Institute
- Part-time Adjunct Professor, Dept. of Economics, The University of Denver
- Research areas include: state budget, school finance, TABOR, wage theft, minimum wage, income inequality, and better ways to measure economic growth in Colorado.

Week #2 -- 2nd Guest Presentation: “Spaceship Earth Economics”



**Alec
Tsoucatos**

Alec Tsoucatos, PhD, was born of Greek parents in Alexandria, Egypt a day before Pearl Harbor in 1941. He attended primary school at a British institution in Alexandria and finished Junior and High School in Athens, Greece. He received his Bachelor's and Master's degrees in Economics, from UC Berkeley and his Ph.D from CU under the tutelage of Kenneth Boulding. His main interests are in New Economics, Integrative Medicine, Positive Psychology and Progressive Mystical Christianity.

Week #3 -- What can we learn from other states that have launched “Beyond GDP” programs?

States with programs include OR, MN, NJ, VA, HI, AZ, and MA. What led to the formation of these programs? Is there a “dashboard” or other framework to cluster indicators by categories or themes? How is “wellbeing” expressed or formulated? Is the concept of “equity” included in a central way? And to what extent are there “beyond GDP” programs in Colorado?

Some State-level Beyond GDP Programs

- [Oregon Shines](#) (Tracking Our Progress, 1989-2009)
- [Minnesota Milestones](#) (1991-2001, 2009-2011)
- [New Jersey Sustainable State](#) (1995-2007)
- [Virginia Performs](#) (2003-2017) (link currently not working)
- [Hawai'i 2050 Task Force](#) (2005-08)
- [Arizona Indicators](#) (2007--)
- [Maryland \(Genuine Progress Indicator\)](#) 2010-
- [Minnesota Compass](#) (2010--)

Week #3 (Sept. 28th) -- Guest Presentation: “The Wellbeing Economy Alliance (WEAll)”



**Paul
Sutton**

- Professor, Department of Geography and the Environment, University of Denver
- “Most of my research focuses on applied issues associated with the Human-Environment-Sustainability problematic.”
- ***WEAll** is a collaboration of organisations, alliances, movements and individuals working towards a wellbeing economy, delivering human and ecological wellbeing. (weall.org)*