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In 2009, the Stiglitz-Sen-Fitoussi Commission (Stiglitz et al., 2009) submitted a report to the French President on the new measures of societal progress. Against a backdrop of financial crisis and the questioning of an unequal and unsustainable growth model, the critiques that for many years had been levelled against the Gross Domestic Product (GDP) resonated anew (Meadows, 1972). These critiques underline the inability of this key economic indicator to capture worrying developments such as widening income and wealth inequality or the degradation of environmental and public health.

Five years later, the Beyond GDP (BGDP) indicators have been adopted by the highest levels of state in several European and non-European countries such as the United Kingdom, Belgium and Bhutan. The current abundance of new indicators is helping to reshuffle the cards of political discourse, thus making it possible to legitimize new issues (such as biodiversity protection or concern over individual well-being). In fact, BGDP indicators offer political actors the possibility of constructing an innovative narrative: faced with the exhaustion of our current growth model (DeMally et al., 2013), they can help to open up a new space for public action and breathe life back into the democratic debate in a context of in-depth reconsideration of political action and discourse.

There are several obstacles to the effective integration into policymaking of the many initiatives underway. The discussion and efforts often focus on fine-tuning indicator methodology, while the prerequisites for their effective use in policymaking have received less attention, although a few recent studies have addressed this issue. This article focuses on BGDP indicators with a social aspect, i.e. indicators or dashboards with multiple dimensions — in particular economic, environmental and social — and not only sectoral ones. The indicators discussed here have been driven by public authorities at the national or regional level in six territories: Australia, Belgium, the UK, Wales, Wallonia and Germany, and excludes many initiatives taken by local authorities, non-governmental organizations and territories.

Six initiatives to fuel the discussions on BGDP indicators

Australia set up BGDP indicators as early as in 2002. They have been developed and supported by the Australian Bureau of Statistics and consist of a dashboard comprising 26 dimensions grouped around four themes: society, economy, environment and governance. The dashboard has been published frequently and holds particular interest for the media and the general public. Although the indicators were not originally designed to evaluate government actions, politicians and officials make regular use of them.

Since 2011, the UK has produced a comprehensive dashboard for BGDP indicators under a national programme for measuring well-being, which was initiated by Prime Minister David Cameron. Monthly reports are published to comment on the country’s performance and changing the way development is measured.

on the different aspects of well-being and some indicators have been used to inform decision-making.

Wales has been using BGDP indicators since 2000. They currently take the form of a 29-indicator dashboard, synthesized into five key indicator groups, providing information on resource use, the environment, the economy, society and well-being. The establishment of this dashboard is in the Welsh constitution, and the indicators are published annually. However, they do not have a great resonance in the media or the political world.

In early 2014, Belgium ratified a law aiming to establish indicators to complement GDP. These indicators are currently being developed by the Belgian Federal Planning Agency. A review of the progress made on BGDP indicators is planned for the annual report of the Banque nationale de Belgique, and their development will be debated in parliament each year.

Wallonia adopted five key indicators in 2013, dealing with: social issues (the Social Situation Index and the Well-being Index), the environment (the Ecological Footprint and Biocapacity Index and the Environmental Situation Index) and economic capital. The initiative is supported at the ministerial level. The Walloon Institute for Evaluation, Prospective and Statistics (IWEPS) published a report on key indicators in May 2014, but this has not yet attracted a great deal of media interest.

In Germany the ‘W3 indicators’ were defined and proposed for use by a parliamentary inquiry commission. This set of ten indicators (GDP plus nine complimentary indicators) encompasses three dimensions: the economy, ecology and well-being. For each of these indicators, ‘warning lights’ have been defined to show whether critical limits have been exceeded. The inquiry commission suggested that the federal government should publish...
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CHAPTER 10

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an annual well-being report, and that groups of government experts should be mandated to officially comment on these indicators on a regular basis.

Lessons learned from international experience
Other countries have already established such indicators or are planning to do so in the near future, such as Canada, Finland, New Zealand and Japan. These national and regional cases inform the debate on the formalization of BGDP indicators, keeping in mind the different roles played by GDP, which remains the reference — implicitly or explicitly (Figure 2).

Firstly, it is clear that this issue of new indicators is not only a concern for some NGO activists and academics, it receives support from the highest levels of governance: executive and legislative powers. While sometimes even statistical institutes seize the topic, as shown in the Australian example.

It is also interesting to note that the promotion of these new indicators is no longer the preserve of the left-wing or environmentalists. In France with Nicolas Sarkozy, or in the United Kingdom with David Cameron, such indicators have received the support of conservatives. However, there is no general agreement on the type of indicators required: the Walloon indicators, backed by green and left-wing politicians, are obviously not the same as those favoured by David Cameron’s Conservative party. Unlike the Walloon indicator dashboard, the

<table>
<thead>
<tr>
<th>TYPE OF USE</th>
<th>As applied to GDP</th>
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<tr>
<td><strong>Symbolic</strong></td>
<td>Represent a country’s power, wealth and progress</td>
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<tr>
<td></td>
<td>Give credibility to initiatives, or discredit them, depending on whether they</td>
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<tr>
<td></td>
<td>strengthen/weaken GDP</td>
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<tr>
<td></td>
<td>Enable general public to evaluate government performance</td>
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<tr>
<td><strong>Political</strong></td>
<td>Set precise objectives</td>
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<tr>
<td></td>
<td>Enable the media and political parties to evaluate government performance</td>
</tr>
<tr>
<td><strong>Instrumental</strong></td>
<td>Support the preparation of national budgets, financial forecasts of major companies, etc.</td>
</tr>
<tr>
<td></td>
<td>Enable the assessment of public policy options according to GDP data</td>
</tr>
<tr>
<td></td>
<td>Define state contributions to supranational budgets</td>
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<td></td>
<td>Evaluate the level of public debt and deficit</td>
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Three types of use for BGDP indicators can be identified: symbolic, political and instrumental. Here, these categories are applied to GDP. Many decisions are made on the basis of GDP growth forecasts: structural investments, social security funding, private investment and decisions on individual savings. In people’s minds, economic growth remains associated with economic stability and employment: although GDP growth no longer adequately reflects positive changes in living conditions, a drop in GDP in the short run correlates relatively well with a rise in the individual’s feeling of malaise (Stevenson and Wolfers, 2008).

FIGURE 2. The use of prosperity indicators – three levels of representation
UK version, although comprehensive, has no indicator for income inequality.

Furthermore, the current examples of BGDP indicators do not seek to replace GDP, but to complement it with a battery of additional indicators, rather than a single one that would aggregate all relevant dimensions. The different national experiences have shown that the development of such indicators alone is not sufficient, they must be used effectively in order to have an impact on the structuring of the political debate, to challenge leaders, to steer public policies or develop new ones.

At present, these new indicators are used mostly as mass communication tools (such as in Australia and Wales) but increasingly they are becoming part of the political debate: for example, the UK government gives serious consideration to such indicators; the Belgian Parliament makes them the subject of an annual discussion; and independent experts in Germany will regularly review the evolution of the country’s new indicators.

However, in most cases there remains a lack of appreciation of their real importance at this level. Some experts seek to conduct upstream assessments of policy impacts on these indicators, but this would entail much work for researchers and administrations that would need to develop new theoretical frameworks and conduct numerous empirical studies. It is worth noting, however, that GDP and the methods of standard national accounting also took many decades to establish and to become the heart of the system for evaluating public policy.

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