Measuring progress, well-being and sustainable development

96th DGINS Conference
Sofia, 30 September 2010

Walter Radermacher, Eurostat
GDP
The best known measure of macro-economic activity

Developed in the 1930s

Looks simple

Aggregates the value added of all money based economic activities (flows) in 1 nation + 1 period

Regarded as a proxy indicator for overall societal development and progress in general

Clear methodology => allows comparisons over time and between countries
Initiatives: more than 20 years debate
Initiatives: similar concerns and issues

- Overall awareness of the need to complement GDP to measure the progress of societies
- Measure well-being of people (importance of subjective well-being)
- Better assess inequalities and disparities (inter-generational)
- Take into account environmental issues and sustainability (intra-generational)
Quality in statistics: fundamental aspects

Consistency with theory

Which theory???

Quality = Fitness for Purpose

Political relevance

Measurability

Who decides???

Reliability, timeliness, …???
Quality in statistics: aggregation aspects

- Composite indicators
- Indicator (sets)
- Accounting systems
- Primary information from surveys, registers etc.

- Not labelled as "Official Statistics"
- Specific Purpose
- Multi-Purpose
Aggregation and Valuation in Statistics

- Increasing importance of valuation

- Composite indicators

- Indicator (sets)

- Accounting systems

- Primary information from surveys, registers etc.
Character of initiatives

Consistency with theory

Stiglitz
GDP&Byd
EU2020

Political relevance
Measurability

Sponsorship
Group of ESS
Butterflies, M. C. Escher (wood-engraving, 1950)