



From SDG statistics to addressing the decision support needs of governments

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TIAS-IISD Webinar: Beyond SDG Indicators, 02 Feb. 2016



UN SG's Synthesis Report

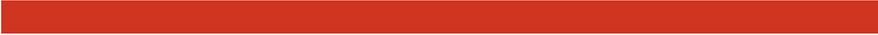


*Work on developing **alternative measures of progress, beyond GDP**, must receive the dedicated attention of the United Nations, international financial institutions, the scientific community, and public institutions. These metrics must be squarely focused on **measuring social progress, human wellbeing, justice, security, equality, and sustainability**. Poverty measures should reflect the **multi-dimensional nature of poverty**. New measures of **subjective wellbeing** are potentially important new tools for policy-making.*

The last ten years: a transformational movement

- In October 2014 we celebrated the tenth anniversary of the first OECD World Forum on “Statistics, knowledge and policy”
- The Palermo Forum was the starting point of a process that today, thanks to the efforts made in all continents to take the “Beyond GDP” agenda forward, the world has recognised as vital

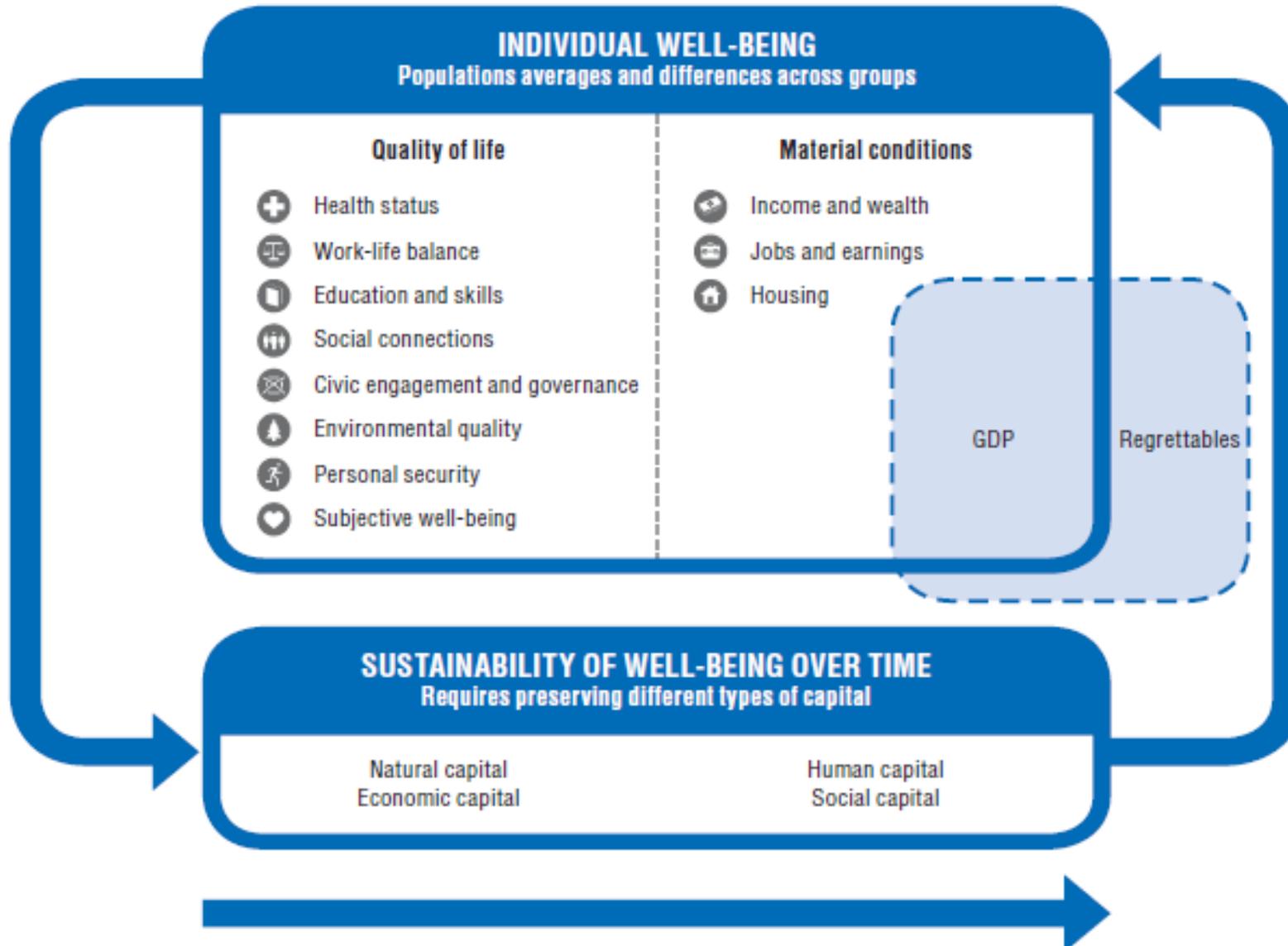


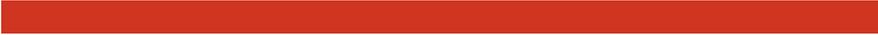


The last ten years: key steps

- October 2004: First OECD World Forum on “Statistics, knowledge and policy”
 - 2005: “Global project on measuring the progress of societies” established
 - July 2007: Second OECD World Forum and “Istanbul Declaration”
 - November 2007: European Conference “Beyond GDP”
 - January 2008: Establishment of the “Stiglitz-Sen-Fitoussi Commission”
 - August 2009: EC Communication on “GDP and Beyond”
 - September 2009:
 - OECD Framework on “Equitable and sustainable well-being”
 - SSF Report
 - G20 Communique
 - October 2009: Third OECD World Forum and OECD Roadmap
 - 2011: OECD Better life initiative and Better life index
 - 2012 Fourth OECD World Forum
 - September 2015: Adoption of the SDGs
 - October 2015: Fifth OECD World Forum
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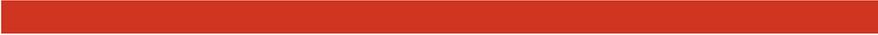
The OECD well-being conceptual framework





Obstacles to use the “Beyond GDP” approach

- **Lack of democratic legitimacy.** The indicators being put forward have not been agreed democratically and lack public support.
 - **Lack of underpinning theory and narrative.** The indicators, unlike GDP, are not underpinned by a consistently articulated theory or ideology, summarised in a politically compelling narrative.
 - **Lack of a clear political imperative.** The economic crisis has meant the priority has been to fix the economy in the traditional way.
 - **The need for organisational change.** An integrated approach requires working across departmental boundaries or alternatively reforming economics departments.
 - **Institutional resistance to change.** This always exists and as always reflects the fact that the power and/or success of institutions often depends on traditional objectives and models.
 - **Technical questions with indicators.** There remain disagreements about defining indicators, particularly on whether and how to create a single alternative to GDP.
 - **No widely used analytical tools for integrated and innovative economic policy making.** The tools needed are still in development. Innovation in civil services is always difficult.
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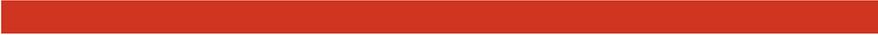


Obstacles to use the “Beyond GDP” approach

The BRAINPOoL Report recommends:

- *“three kinds of action. None of these can succeed without the others and all of them require co-operation between politicians and officials:*
 - *Build support for change – institutions need to stimulate a broad public debate about the kind of society Europeans want, while drawing on the range of theories currently in play as to how to achieve this;*
 - *Develop and embed better analytical tools into policy making processes;*
 - *Improve procedures and structures so that the will for change is not diverted into rhetoric but channelled into effective action”.*





Obstacles to use the “Beyond GDP” approach

Two reports on well-being have been recently published in the UK: *Wellbeing and Policy* by Gus O’Donnell et al. for the Legatum Institute and *Wellbeing in four policy areas*, by the UK All-Party Parliamentary Group on Wellbeing Economics.

In particular, the second Report recommends that all political parties should set out their understanding of, and approach to, well-being in their manifestos and that the Government set out a well-being strategy, including:

- objectives and how it intends to achieve them;
 - the use of a well-being based policy assessment and the development of new tools to support it;
 - the incorporation of a well-being assessment into budget allocations between and within departments;
 - tools to facilitate the cross-departmental work needed to increase the well-being benefits of policy.
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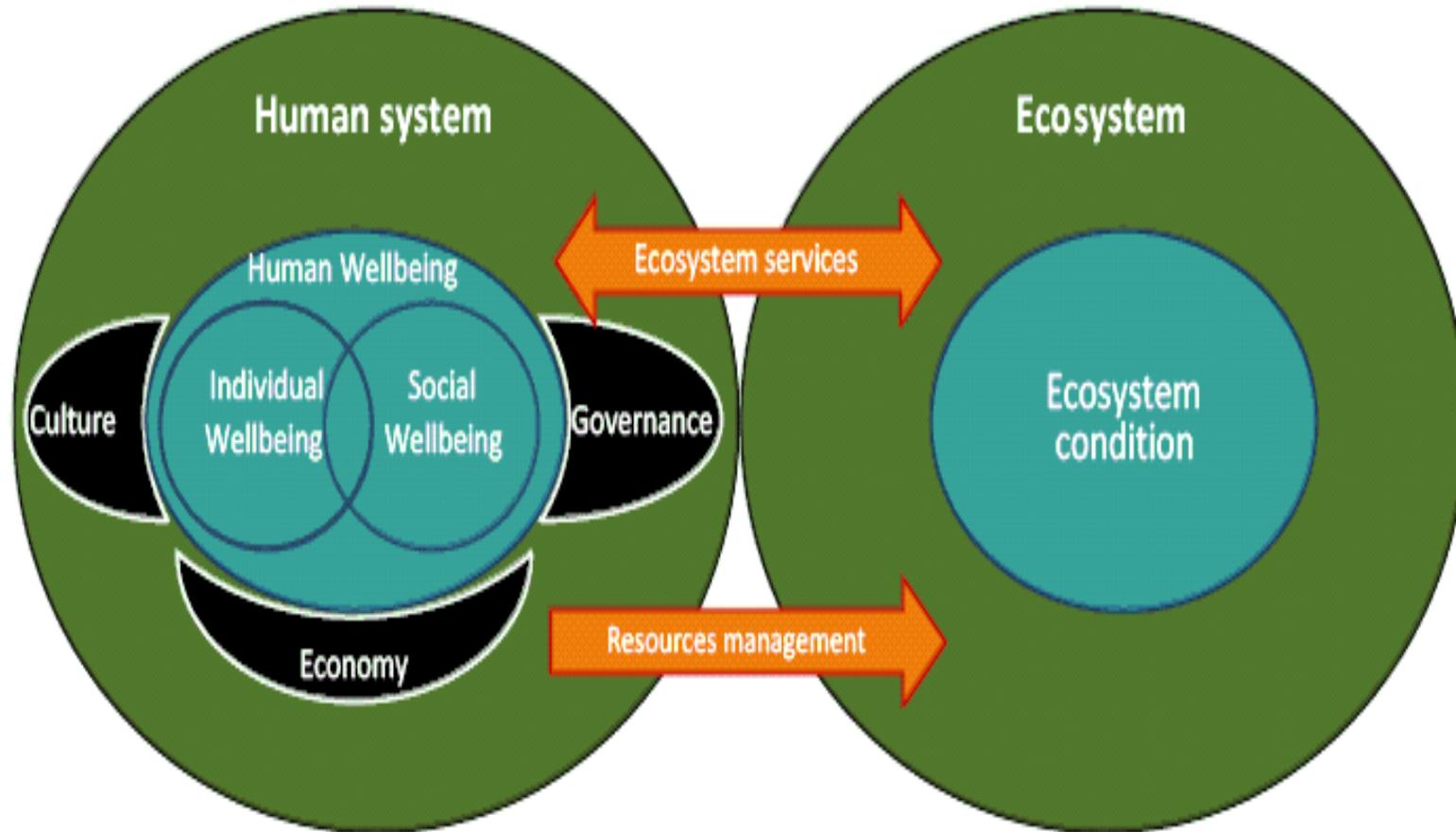
Encyclical *Laudato Si'*

“The human environment and the natural environment deteriorate together; we cannot adequately combat environmental degradation unless we attend to causes related to human and social degradation. In fact, the deterioration of the environment and of society affects the most vulnerable people on the planet ... Ecology studies the relationship between living organisms and the environment in which they develop. This necessarily entails reflection and debate about the conditions required for the life and survival of society, and the honesty needed to question certain models of development, production and consumption. It cannot be emphasized enough how everything is interconnected.”

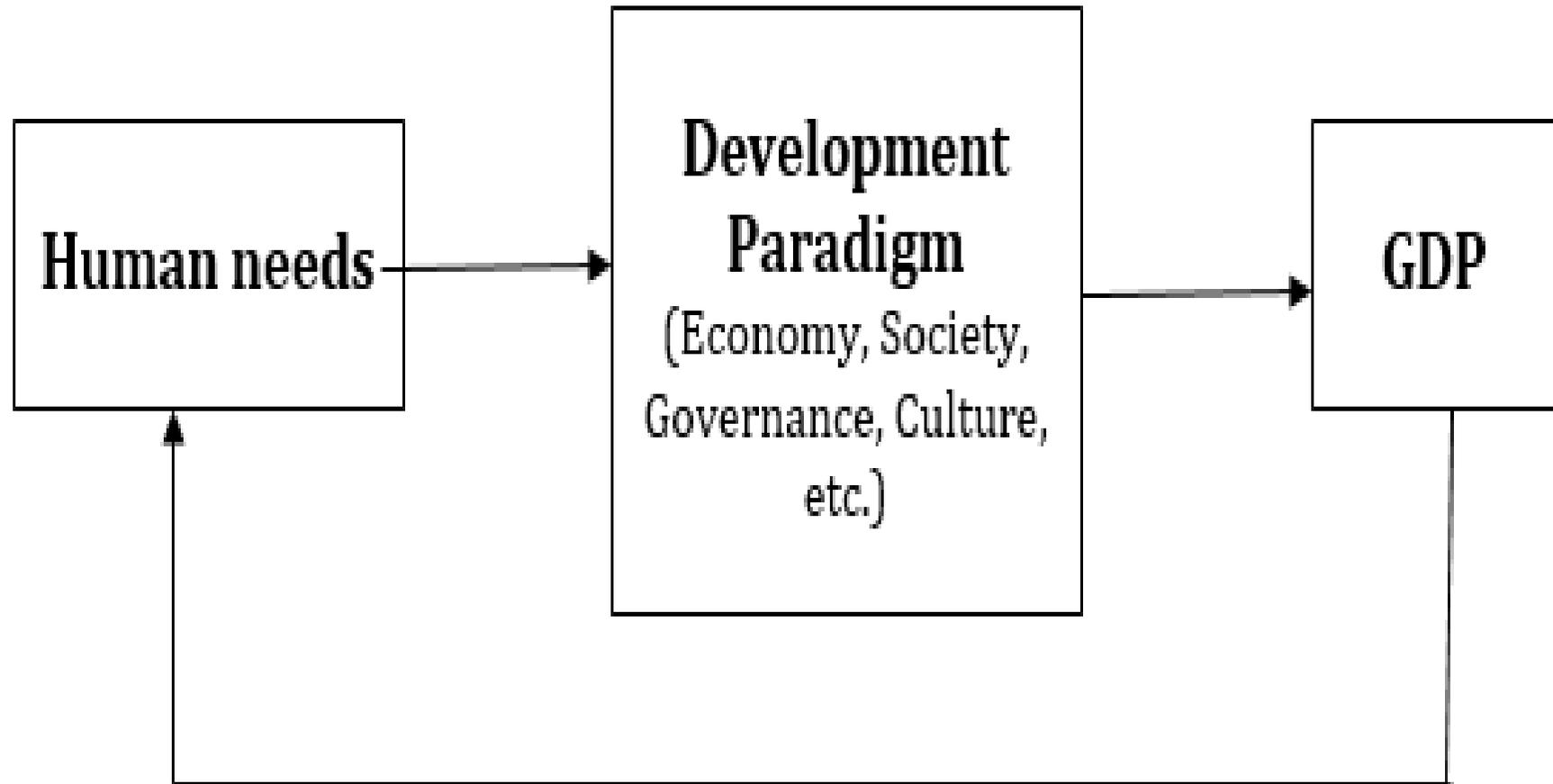
Pope Francis



The OECD framework to measure progress (2009)

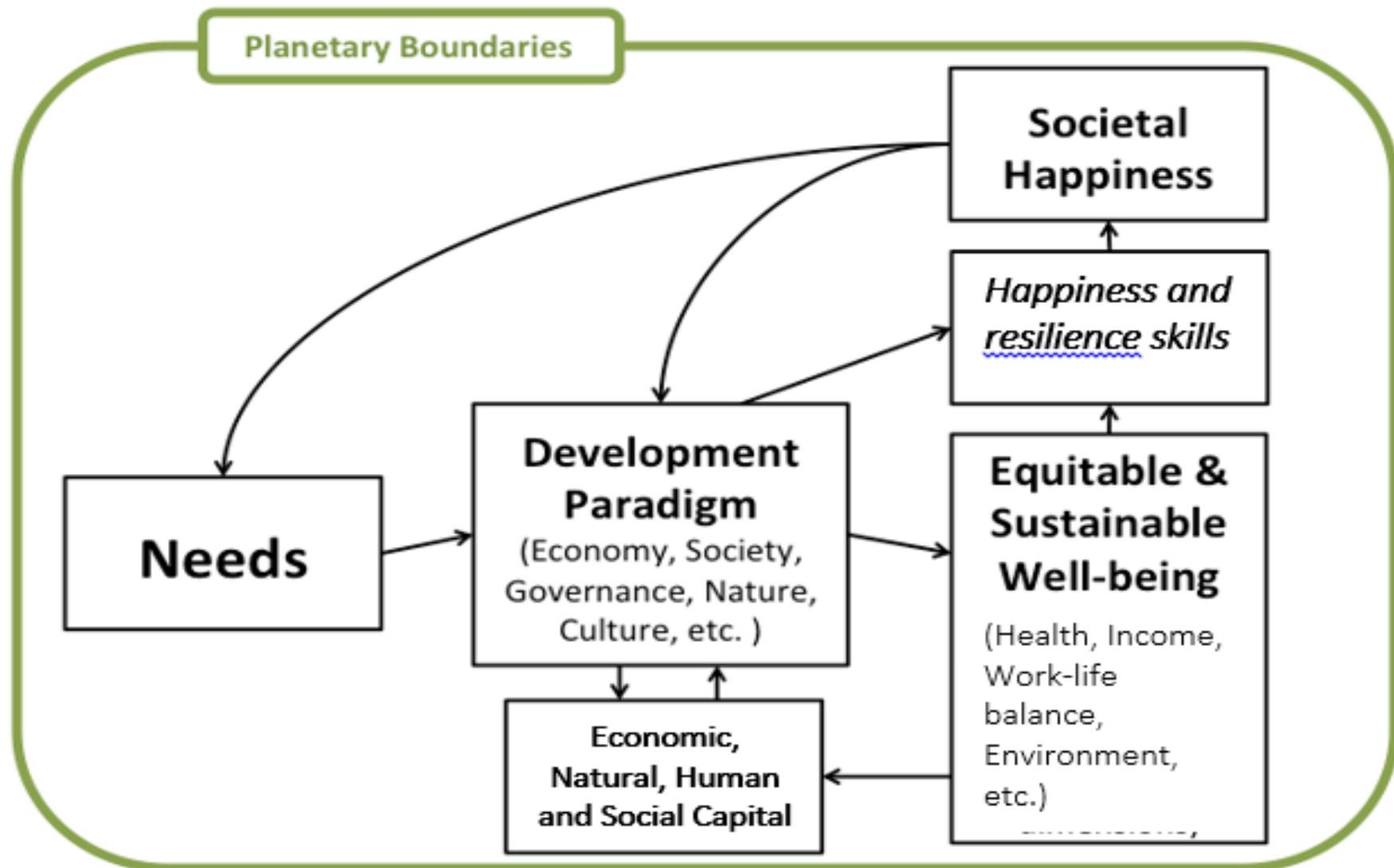


Old economic paradigm

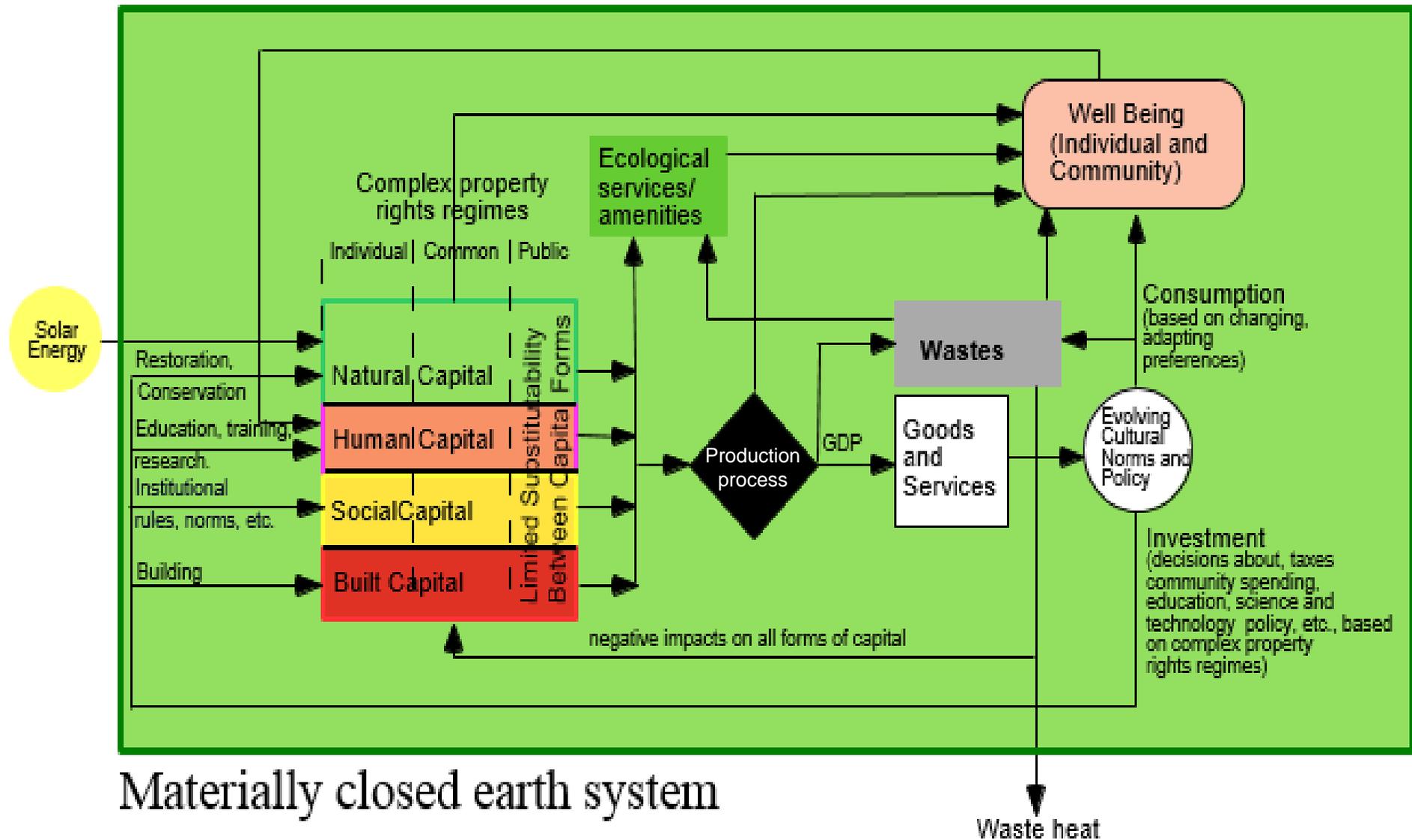


Towards a new development paradigm

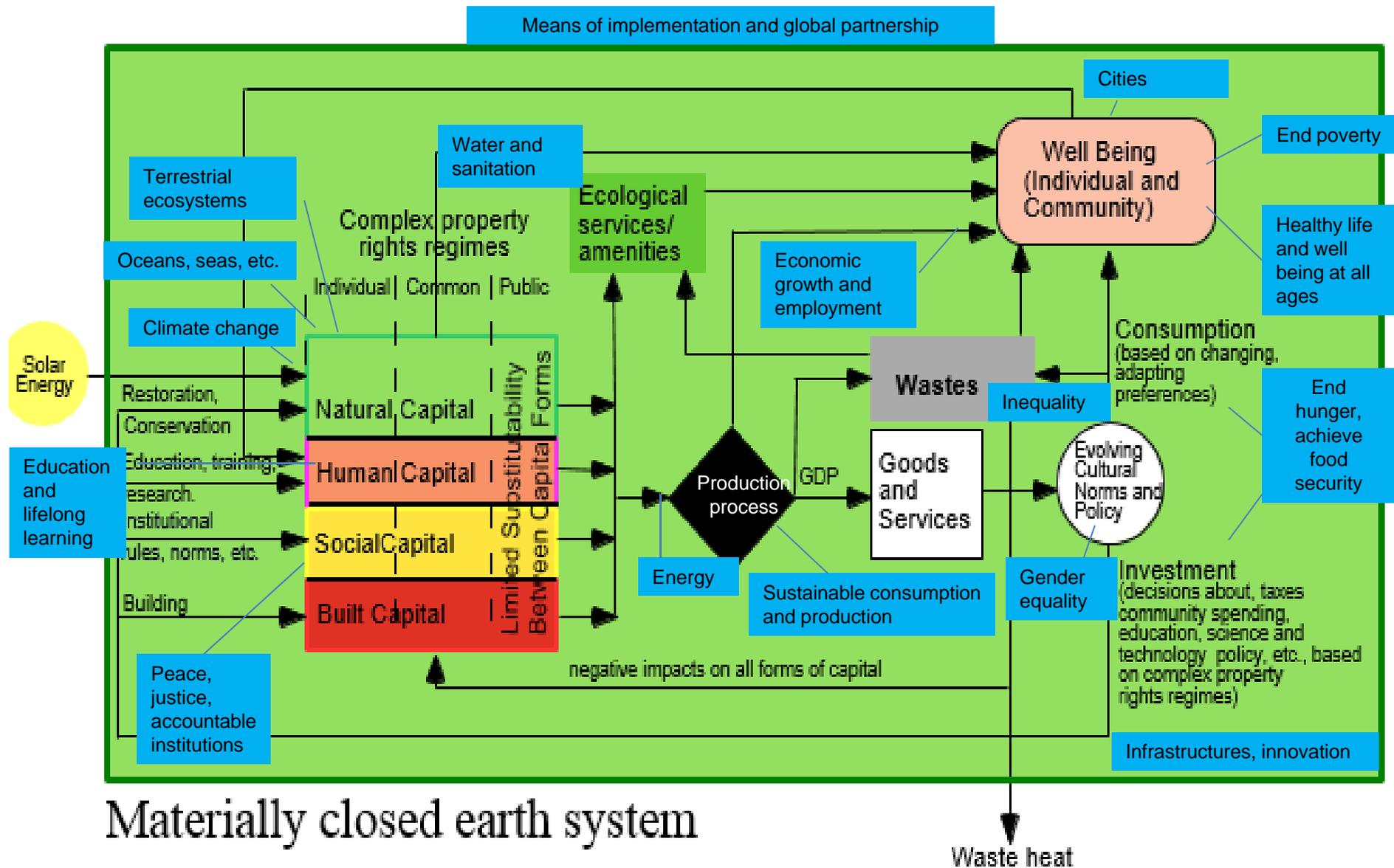
New development paradigm



“Full World” Vision of the Whole System



“Full World” Vision of the Whole System



Lessons learned

The data revolution is already happening:

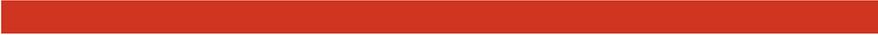
- New technologies leading to **exponential increase in volume and types of data available**
- **Much greater demand for data from all sides**
- Governments, companies, researchers and citizen groups are in a ferment of **experimentation, innovation and adaptation**

A huge opportunity, with several risks: Privacy, Human rights, Poor quality data, Breakdown of trust

Data are not only necessary for monitoring, but also for achieving SDGs

Monitoring will require substantial additional investment to:

- develop reliable, high-quality data on a range of **new subjects**,
 - ensure that **no groups are excluded**
 - with an unprecedented level of **detail and timeliness**
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UN SG's Synthesis Report

- Today's world is a **troubled world**; one in turmoil and turbulence, with no shortage of painful political upheavals. **Societies are under serious strain**, stemming from the erosion of our common values, climate change and growing inequalities, to migration pressures and borderless pandemics.
 - It is also a time in which **the strength of national and international institutions is being seriously tested**.
 - The nature and scope of this daunting array of **enormous challenges** necessitate that both inaction and business-as-usual must be dismissed as options. If the global community does not exercise **national and international leadership in the service of our peoples**, we risk further fragmentation, impunity and strife, endangering both the planet itself as well as a future of peace, sustainable development and respect of human rights.
 - Simply put, **this generation is charged with a duty to transform our societies**.
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What if ...

Imagine a country genuinely committed to pursuing the SDGs. It would place emphasis on human and ecosystem wellbeing as the ultimate objective of progress.

This country – let's call it the **Republic of Wellbeing** – and its business sector would need to embark on a profound transformation to achieve durable, long-term change, while around the world today, companies and governments do precisely the opposite: they put more emphasis on short-term economic dynamics, or what [Hillary Clinton criticised](#) as “quarterly capitalism”.

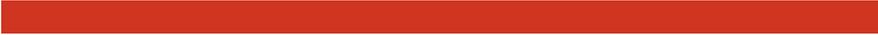
If we are serious about meeting the SDGs then this cannot continue. Let's imagine a “roadmap” .

<http://www.theguardian.com/sustainable-business/2015/sep/02/say-goodbye-to-capitalism-welcome-to-the-republic-of-wellbeing>

1 - Change the Constitution

For the SDGs to drive policy, the Republic of Wellbeing would have to incorporate sustainability into its constitution. This is something that Latin American and Caribbean countries have promoted through the [Quito Declaration](#), following the examples of [Ecuador](#) and [Bolivia](#), which passed a law in 2011 granting all nature equal rights to humans.

New Zealand has also [attributed personal rights](#) to ecosystems such as the Whanganui River, and citizens have sought legal avenues to defend nature as a common good, with recent successes in the [US](#) and the [Netherlands](#).



2 - Change the structure of the Government

Government functions would also have to change.

The separation of offices, portfolios and tasks may have made decision-making in companies and governments more efficient in terms of sectoral outputs but it has reduced their capacity to approach problems holistically.

Managers, like ministers, are rewarded for spending cuts in their area of work, even if that increases costs for their colleagues and for society at large.

In response, integrated approaches to governance are needed for the Republic of Wellbeing to manage the interconnectedness of equitable and sustainable wellbeing.



3 - Change the indicators

Current statistics, such as the gross domestic product and stock market indices, reinforce short-termism and separate “the economy” from the rest of society.

To remedy this, the Republic of Wellbeing would have to introduce measures of genuine progress which deduct the costs of negatives such as traffic jams and air pollution from economic growth, as has been done in the US states of [Maryland and Vermont](#).

It should also adopt indicators of social wellbeing, as [Paraguay](#) and [Italy](#) did two years ago.

4 - Change the models for impact evaluation

As decisions in the public and private sector are often based on cost-benefit analyses, the Republic of Wellbeing would need to adopt accounting parameters (for example, discount rates) that are either neutral or give more weight to impacts and costs in the future than in the present.

Total-cost accounting, including full environmental and social costs, is essential to identify businesses that are adding to the economy vis-a-vis those accumulating income at the expense of society, as is the case with most fossil fuel industries.

Based on new performance assessments, the Republic of Wellbeing would need to create a system of rewards and sanctions, including the withdrawal of limited liability status for businesses that perform poorly.

5 - Change the models for impact evaluation

Innovative forms of [regulatory impact assessment](#), increasingly in vogue in the European Union, would need to become routine procedures, further strengthened by the involvement of citizens in assessing how laws and markets impact upon sustainable development objectives.

In 2015 France adopted a [new law](#) requiring government to publish annual reports on inequalities, quality of life and sustainable development for current or planned legislation. Italian Parliament is evaluating a similar legislation.

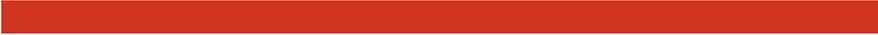
In the [Netherlands](#), the Central Planning Bureau (CPB) for Economic Policy Analysis and the Environmental Assessment Agency [map out](#) the effects of electoral programmes on the economy and the environment.

6 - Change the international debate

Lastly, the Republic of Wellbeing would need to be vocal in global institutions to ensure that international norms, principles and agreements are conducive to human and ecosystem wellbeing.

Policy inspired by the SDGs will demand a restructuring of the global economy to focus on reducing ecological footprints and inequalities, cancelling debt for poor nations, as well as incentivising the transfer of innovative technologies.

Financial markets and international trade will need to be redesigned to support rather than impede sustainable social progress, as a recent [UN inquiry](#) demonstrates.



Conclusions

The agreement on SDGs has been a milestone for humanity.

To meet and goals and targets profound changes need to be done in the decision making processes.

Data and information are important, but data without changes in regulatory frameworks, policy orientations and mindsets are not enough.

Changing policies and business strategies require an integrated strategy, but a lot of very good practices already exist around the world and they could be used to build the “Republic of Wellbeing”.

Let's work together to do that.

