

Separating Goals from Measures, and Economic Growth as the Primary Measure

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In the lead story in this issue, Lee Martin covers a confusing array of topics. I believe the key issue is not a question of measures, but of goals. The key error of the present is to consider "economic growth" to be the fundamental social goal. It should not. Participatory, futures-oriented processes should define social goals before we worry about how to measure progress towards them. GDP might then turn out to be a useful, limited measure, among other measures.

At the present time, most citizens and policy-makers equate "economic growth" with "social, environmental, and personal health and welfare." If the economy is "growing", all is well. If it is not, that is a tragedy that can only be fixed by getting the economy growing again.

That is a huge mistake we must correct. Faith in "economic growth" is one of the greatest ideological mystifications of the present, blinding most people in our society today. Communism and capitalism were simply alternative, competing routes to "economic growth." Liberals, Conservatives, Socialists, Libertarians, and Tea Partiers alike all believe in "economic growth." Until economic growth is separated from social, environmental, and personal health and welfare, in policy and peoples' minds, humans are in ever deepening trouble. As Lee Martin shows in her paper, this is not a new perspective. In some ways, it has been argued in opposition since "development" and "progress" began as defining concepts and policies in the 18th and 19th centuries. It was the heart of the early futures/ecology debates of the 1970s. Now, more people are vaguely beginning to understand the issue, as the term "the new normal" (a term that is being used to describe an emerging society of very slow, zero, or even "negative economic growth") may imply.

Not only does continued economic growth often tend to destroy lives, cultures and environments, but also economic growth is not needed when population is declining, as it is in many parts of the world. Economic growth to sustain a growing population is one thing; in the face of population decline, it is obsessive, destructive madness.

Of course, some kind of an economic system is necessary for any society, and thus measures of economic performance are needed. No one is arguing against "economics" *per se*, any more than one should argue against "politics" or "religion" or "education" or "the family". These are simply current categories used to describe social functions that can be structured and carried out in numerous ways. It is entirely a question of what kind of economy and what kind of economic theories dominate that is at issue. Once the goal of an economy has been determined by democratic and

futures-oriented processes, then the matter of determining what are appropriate measures of economic performance can be decided by economists and other related professionals. GDP may or may not be the most satisfactory single and fundamental measure of economic performance. That is a separate issue from everything else, and it is a matter for economists, statisticians, and related professionals to determine. It is not an issue for public opinion to decide. From a strictly economic point of view, it may make sense to count pollution control, arms, crime fighting, and all the rest as positive economic measures, even though they certainly are also signs of social, environmental and personal dysfunction.

"Growth" now is often taken to be the most important single aspect of a system's performance. "Grow or die", it is often said. Even groups opposed to economic growth often measure their own success by whether they are growing, in membership or income. To the contrary, growth for growth's sake is a pathology that will surely lead to death. But this is a separate matter from the issue of GDP as a measure of economic performance, on the one hand, and what are appropriate measures of social, environmental, and personal health and welfare, on the other. They should not be confused and conflated.

Unfortunately today, almost all governments and institutions measure their "success" in terms of growth – of wealth and/or of people – and this must end. The broader purposes of society need to be determined and measures for determining if they are being attained or not need to be constructed and used. This was the goal of the Social Indicators movement years ago, and of "benchmarks" that are often the outcome of citizen-based futures activities now. It is absurd and dangerous to make GDP or any other economic indicator a surrogate for measuring the overall health of society, the environment, or individuals. It is akin to measuring "national security" in terms of the size of the standing army, or the number of nuclear weapons and delivery systems, rather than by the health, education, and happiness of its citizens. Clearly a broad discussion is needed about what a healthy and happy society, environment, and individual is, and what measures should be designed and used to see if we are moving towards or away from these goals. This clearly is a political, futures-oriented, as well as a "scientific" and professional matter, and thus needs the futures-oriented participation of everyone in determining the goals as well as the measures.

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