



Measuring the progress of societies: A global movement for a global challenge

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Some “megatrends”

- Around the world, societies are increasingly concerned with their quality of life and a consensus is growing around the need to develop a more comprehensive view of progress rather than focussing on the economic one (GDP)
- Mistrust in national governments (and therefore in national statistical offices)
- Growing number of “agents” in the society (NGOs, etc.)
- Individuals are asked to take decisions that in the past were taken by the government (pensions, school, etc.)
- In an age of unprecedented, and overwhelming, information flows, the common understanding necessary for informed public discourse is often inadequate



Theoretical background

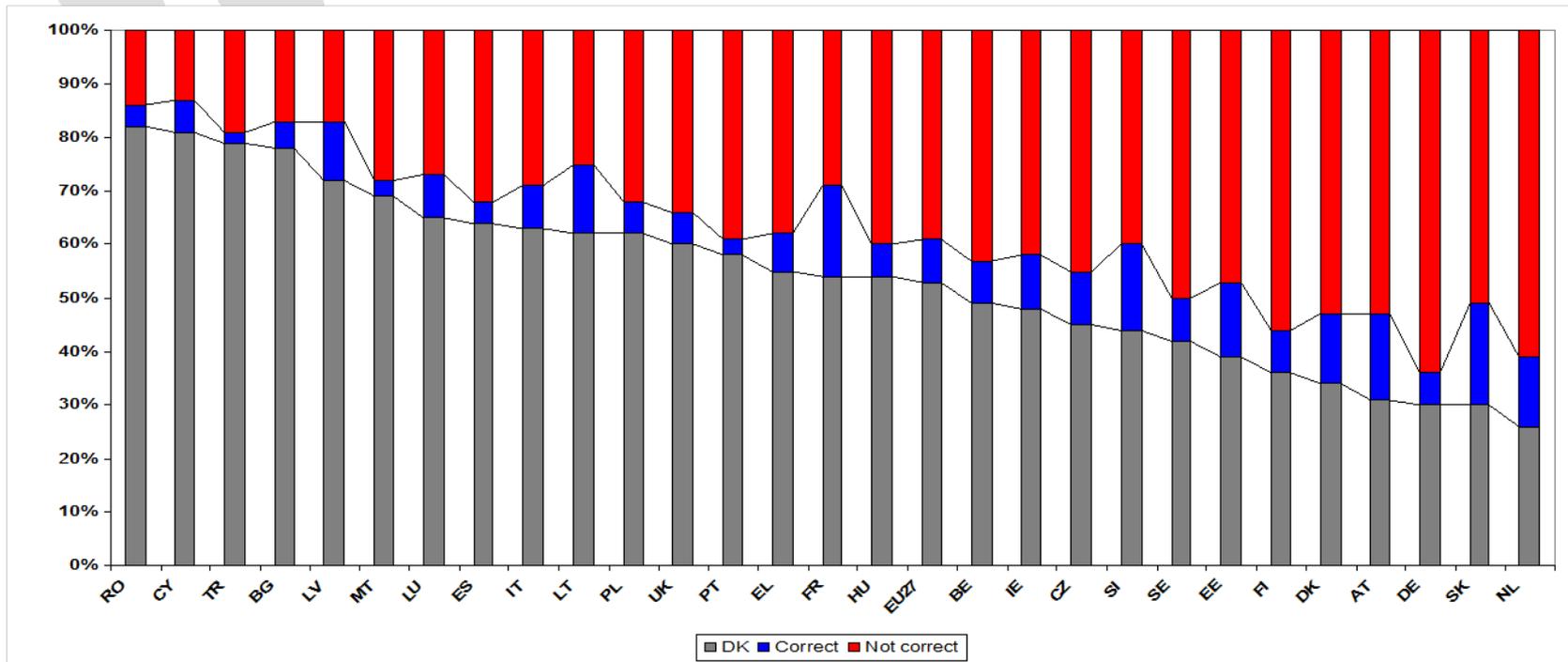
- Economic literature:
 - Role of information in “Games Theory” (Nash, Akerlof, Rothschild and Stiglitz, etc.)
 - Role of information in rational expectations models (Muth, Lucas, etc.)
- Political sciences literature:
 - Role of information in models for democratic choices (Downs, Wittman, Alesina, etc.)
 - Role of information in political process and elections (Swank, Visser, etc.)

Clear conclusion: “shared information” is fundamental to improve markets functioning and minimise social welfare losses



European citizens

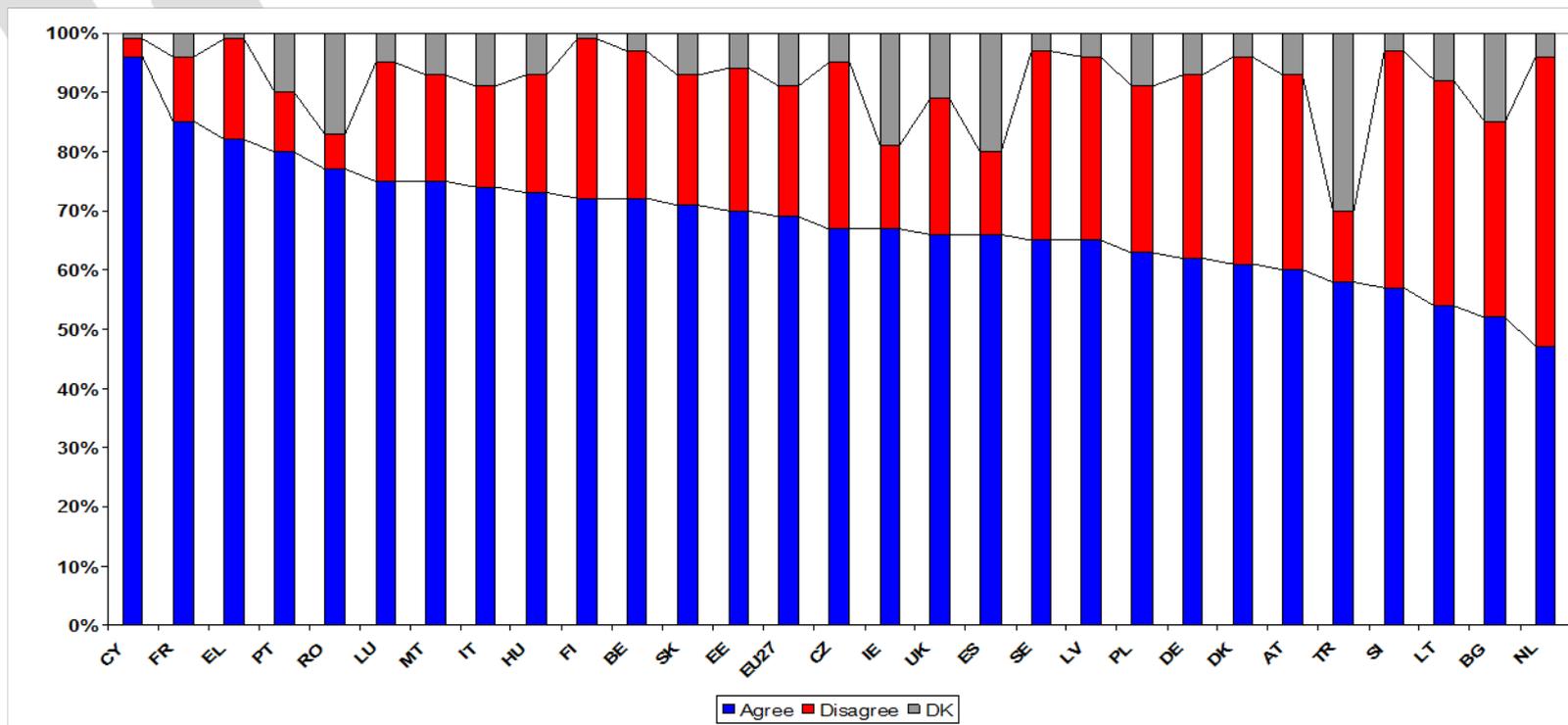
GDP growth



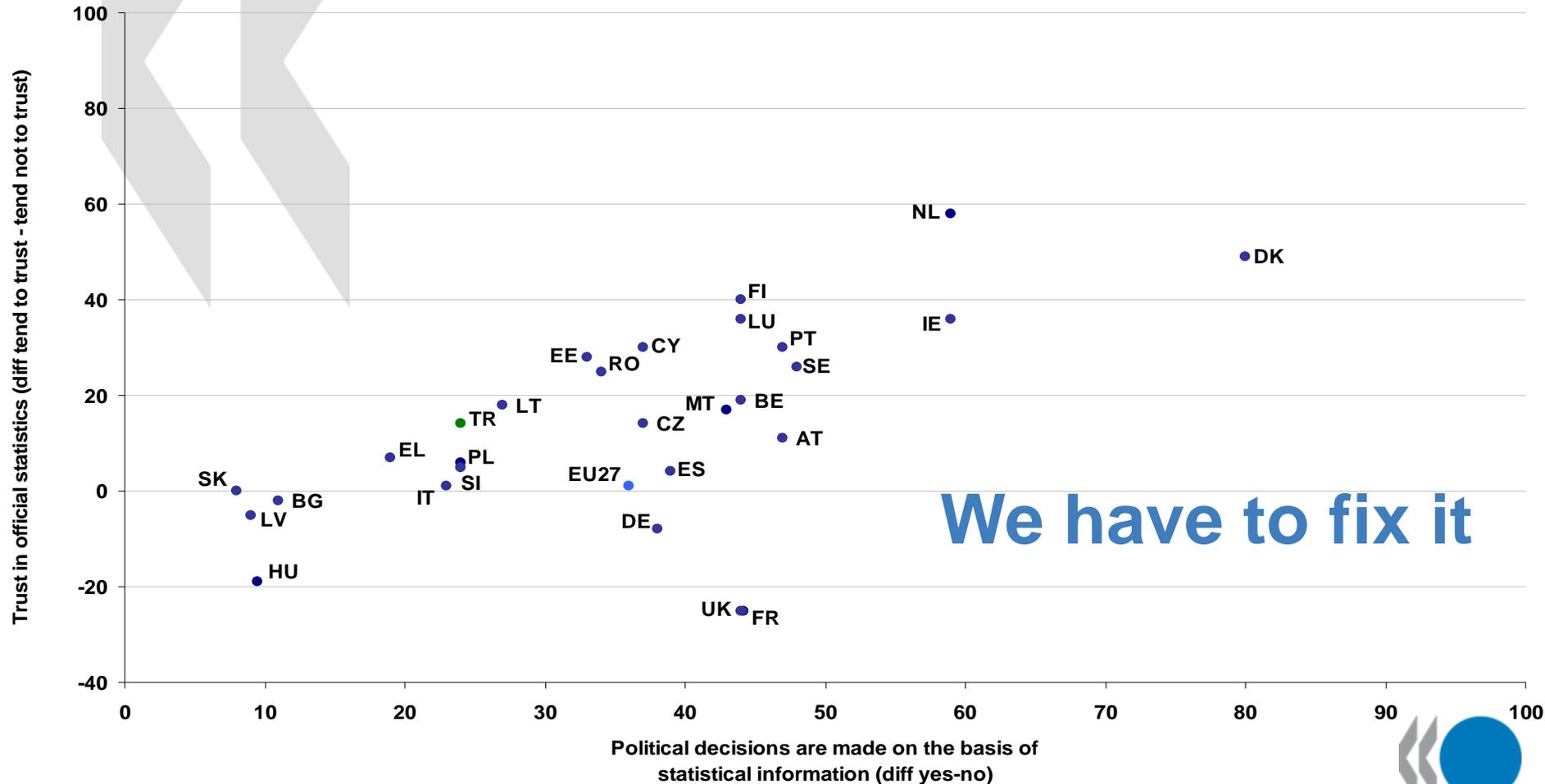


European citizens

Is it necessary to know these data?



Statistics, knowledge and policy: a broken chain





The second OECD World Forum on “Measuring and Fostering the Progress of Societies”

- In co-operation with EC, OIC, UN, World Bank
- 1200 participants from 130+ countries:
 - From multiple sectors and professions
 - From multiple countries at various level of development
- 200+ speakers from 50 countries and 15 IOs
- Webcasting of main sessions (available on the web site www.oecd.org/oecdworldforum)
- Exhibition on new tools to communicate statistics



The Istanbul Declaration (1)

- A **culture of evidence-based decision making** has to be promoted at all levels of government, to increase the welfare of societies.
- We affirm **our commitment to measuring and fostering the progress of societies** in all their dimensions and to supporting initiatives at the country level.
- We **urge statistical offices, public and private organisations, and academic experts** to work alongside representatives of their communities to produce high-quality, facts-based information that can be used by all of society to form a shared view of societal well-being and its evolution over time.



The Istanbul Declaration (2)

- To take this work forward we need to:
 - **encourage communities** to consider for themselves what “progress” means;
 - **share best practices** and **increase the awareness** of the need to do so using sound and reliable methodologies;
 - **stimulate international debate**, based on solid statistical data and indicators, on both global issues of societal progress and comparisons of such progress;
 - **produce a broader, shared, public understanding of changing conditions**, while highlighting areas of significant change or inadequate knowledge;
 - **advocate appropriate investment in building statistical capacity**, especially in developing countries, to improve the availability of data and indicators needed to guide development programs and report on progress toward international goals, such as the MDGs.



What is “progress”?

The “western” concept of progress can be traced back to the late XVII and XVIII centuries (“Enlightenment”).

- **Plato:** a continuous process, which improves the human condition from a state of nature to higher and higher levels of culture, economic organization and political structure.
- **Bacon:** progress in knowledge should lead to progress in well-being, and inventions should be useful for mankind’s fulfilment.
- **Comte:** the famous Positivist movement maxim “*Love as a principle and order as the basis; Progress as the goal*” was the base for the dawn of the Brazilian Republic).
- **Catholic Church:** *Encyclical Populorum Progressio*
- **Islamic scholars:** “sincere work towards progress and development is, therefore, an act of religious worship”.



How to measure “progress”?

- Three main approaches:
 - Extension of national accounts
 - Composite indicator
 - Key indicators
- Objective vs. subjective (happiness?)
- The OECD supports the development of key indicators, but measuring progress is not enough if:
 - The measures are not shared
 - They are not communicated to the whole society
 - Citizens do not understand them
- From “statistique” to “sociestique”?



Why the OECD?

The OECD must develop new methods to measure the progress of societies, integrating the usual economic indicators with other social and environmental measures, working with key non-Member economies and other international organisations to develop a global repository for reliable statistics and data. We have to move towards measuring welfare not just output. It will constitute a major contribution to stability and democracy

Angel Gurría, Secretary General of the OECD (Speech at the 2007 Ministerial meeting)



The Global Project on “Measuring the Progress of Societies”

- Four pillars:
 - Statistical research
 - Development of ICT tools
 - Advocacy and institutional building
 - Development of a global infrastructure about progress
- Build a partnership with international national and local organisations, foundations, etc.
- Partners: WB, UNDP, UNICEF, IADB, AfDB, EC, INTOSAI, ESCWA, ESCAP, COE
- Prepare the ground towards a set of “World Progress Indicators”?



A world movement

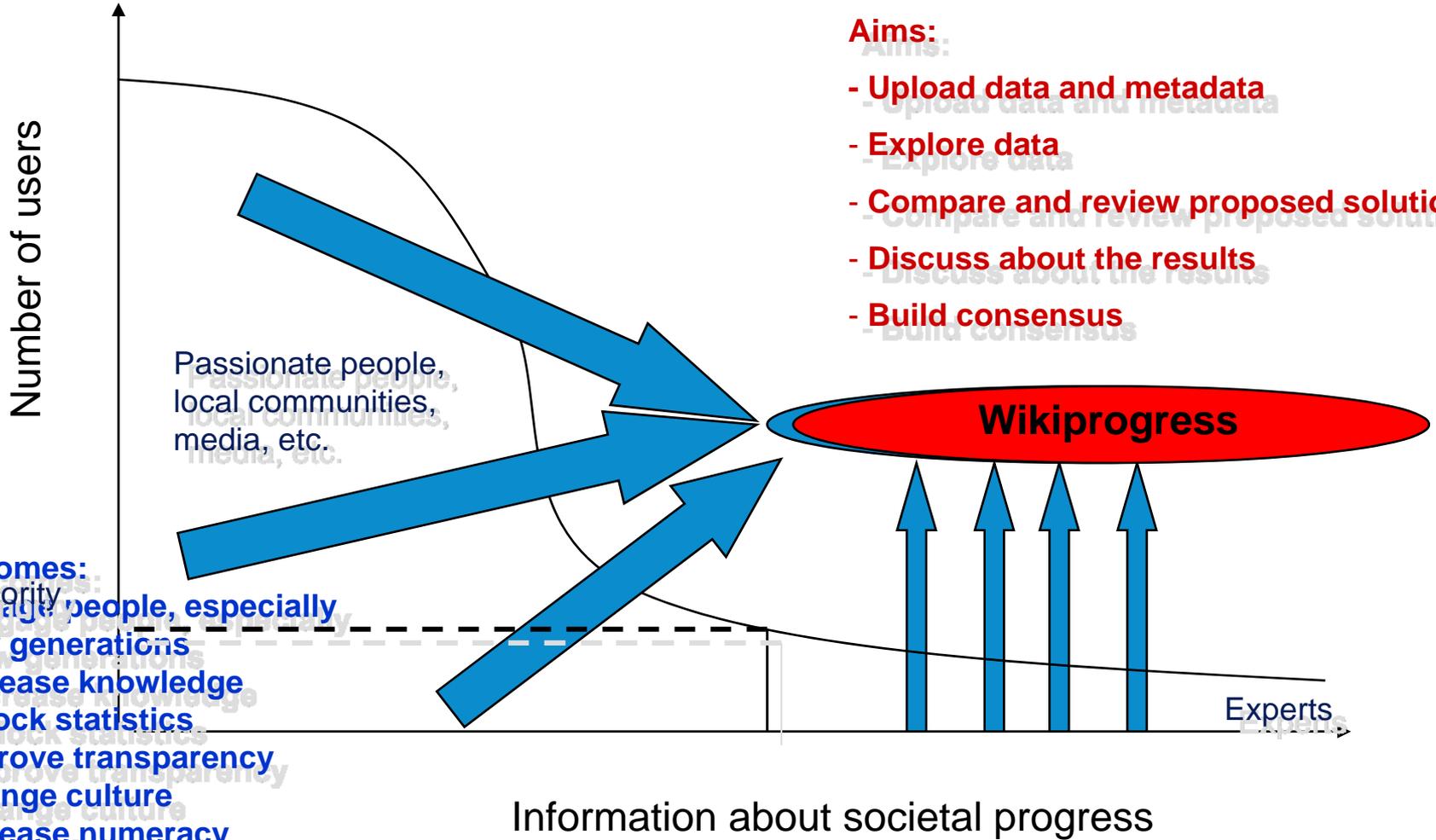
- Several national initiatives around the world (Australia, US, Ireland, etc.) and now (Finland, Hungary, Italy, etc.)
- Hundreds initiatives at local level
- “Stiglitz Commission” launched by President Sarkozy
- Oxford Poverty and Human Development Initiative
- International Society for Quality of Life Studies
- A possible “leading role” for the European Union?



New tools, new culture, new opportunities

Aims:

- Upload data and metadata
- Explore data
- Compare and review proposed solutions
- Discuss about the results
- Build consensus



Outcomes:

- Engage people, especially new generations
- Increase knowledge
- Unlock statistics
- Improve transparency
- Change culture
- Increase numeracy
- improve democracy

Information about societal progress



In conclusion, the Project aims to:

- **Change culture**, helping citizens and policy makers to pay attention to all dimensions of progress
- **Develop new statistics** in emerging domains
- **Improve citizens' numeracy**, strengthening people's capacity of understanding the reality in which they live
- **Improve citizens' knowledge**, becoming more aware of risks and challenges of today world
- **Improve national policy making**, through a better measurement of policy and societal outcomes
- **Improve international policy making**, through the a world progress monitoring system, covering all countries
- **Improve statistical capacity** in each and every country
- **Strengthen democracy** respecting historical and cultural differences
- **Foster a global and open conversation** about the state and the progress of the world

IMPROVE WELFARE