

Developing Alternatives to the GDP: design considerations

Dennis Meadows

Presentation to the workshop:

Indicators of sustainability –

“beyond GDP” in Hungary

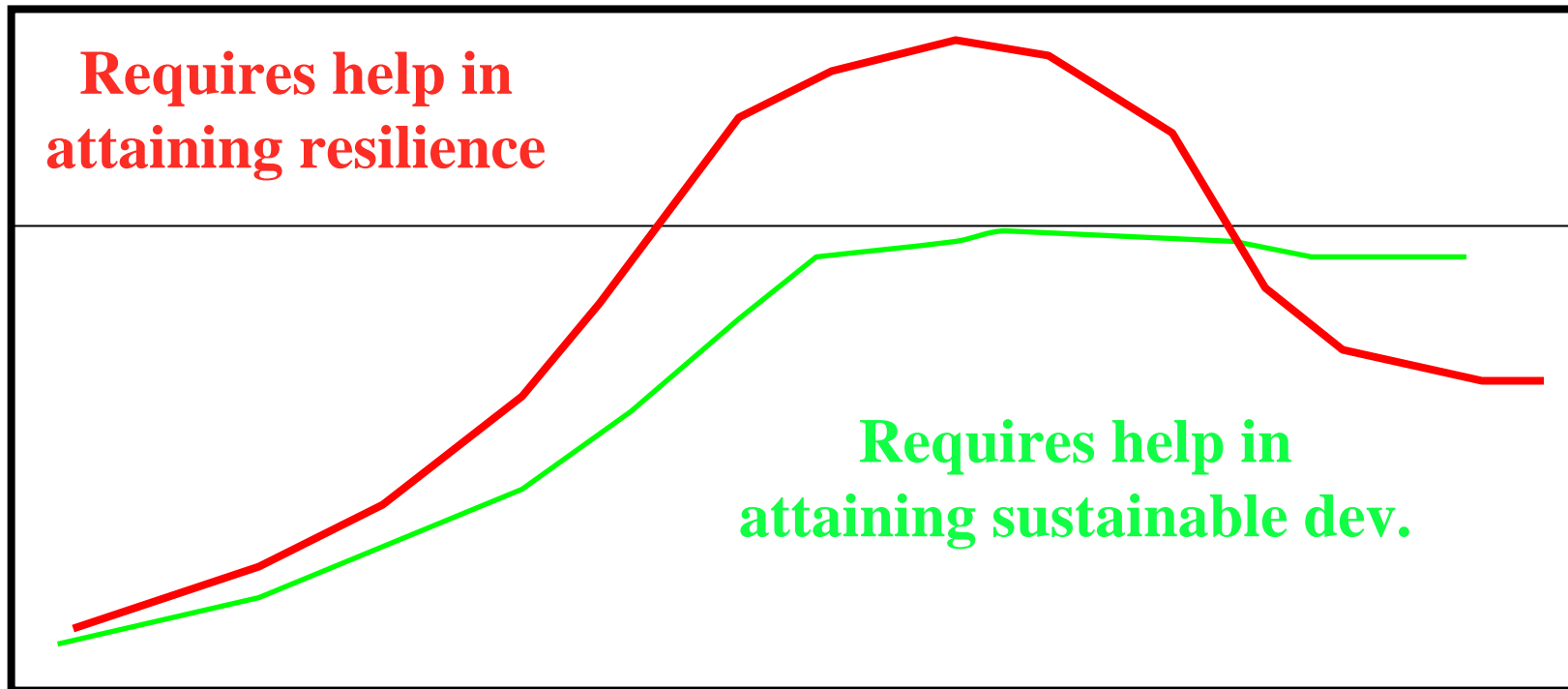
Budapest, 6.11.09

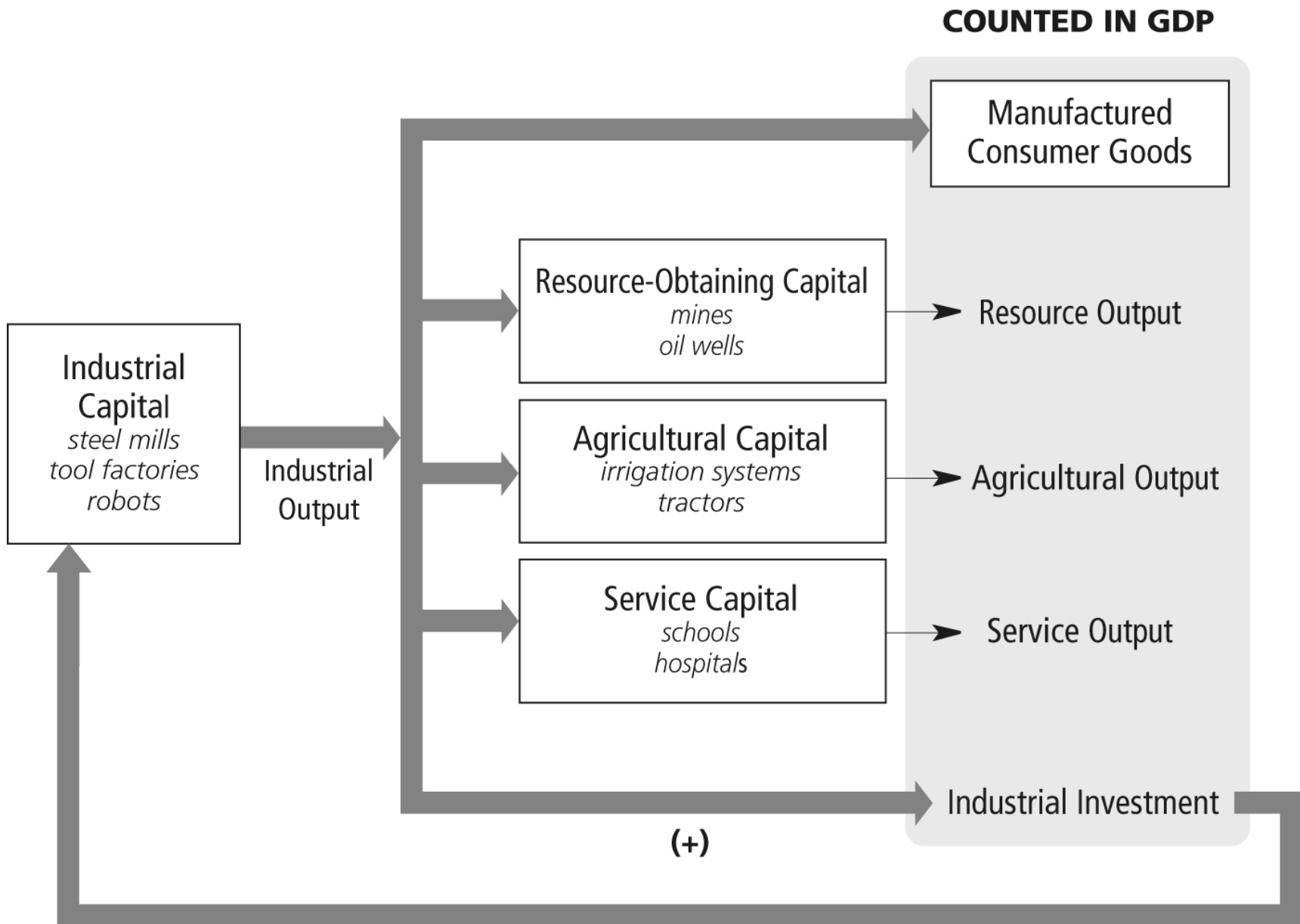
Indicator Exercise

Lessons from the Exercise

- You need to measure what is important, not what is easy.
- The time graining of the indicator must match the periodicity of the behavior.
- Measure variables important to all the people who must act to achieve change.

Sustainable Development or Resilience





COUNTED IN GDP

Industrial Capital
steel mills
tool factories
robots

Industrial Output

Resource-Obtaining Capital
mines
oil wells

Agricultural Capital
irrigation systems
tractors

Service Capital
schools
hospitals

Manufactured Consumer Goods

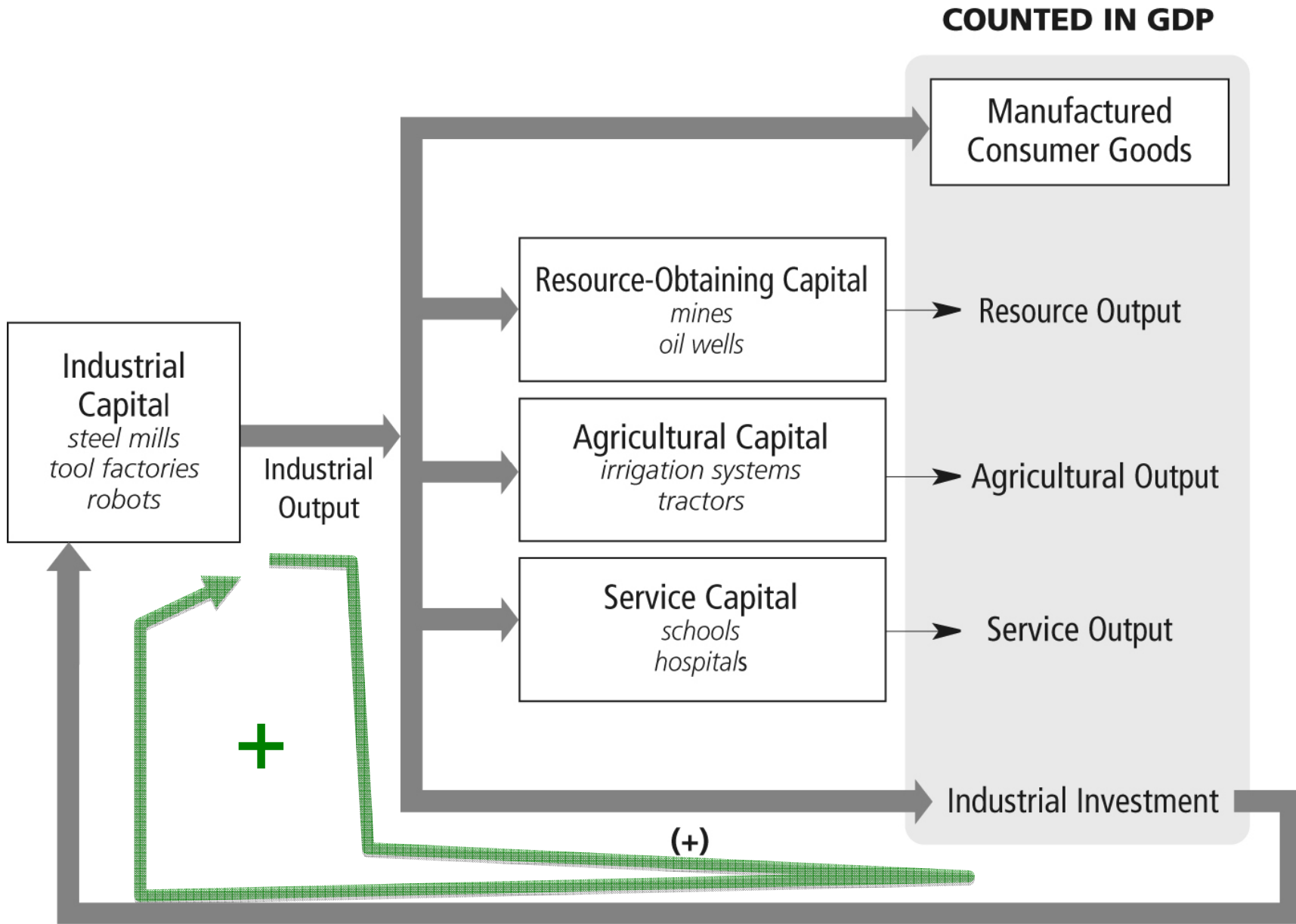
Resource Output

Agricultural Output

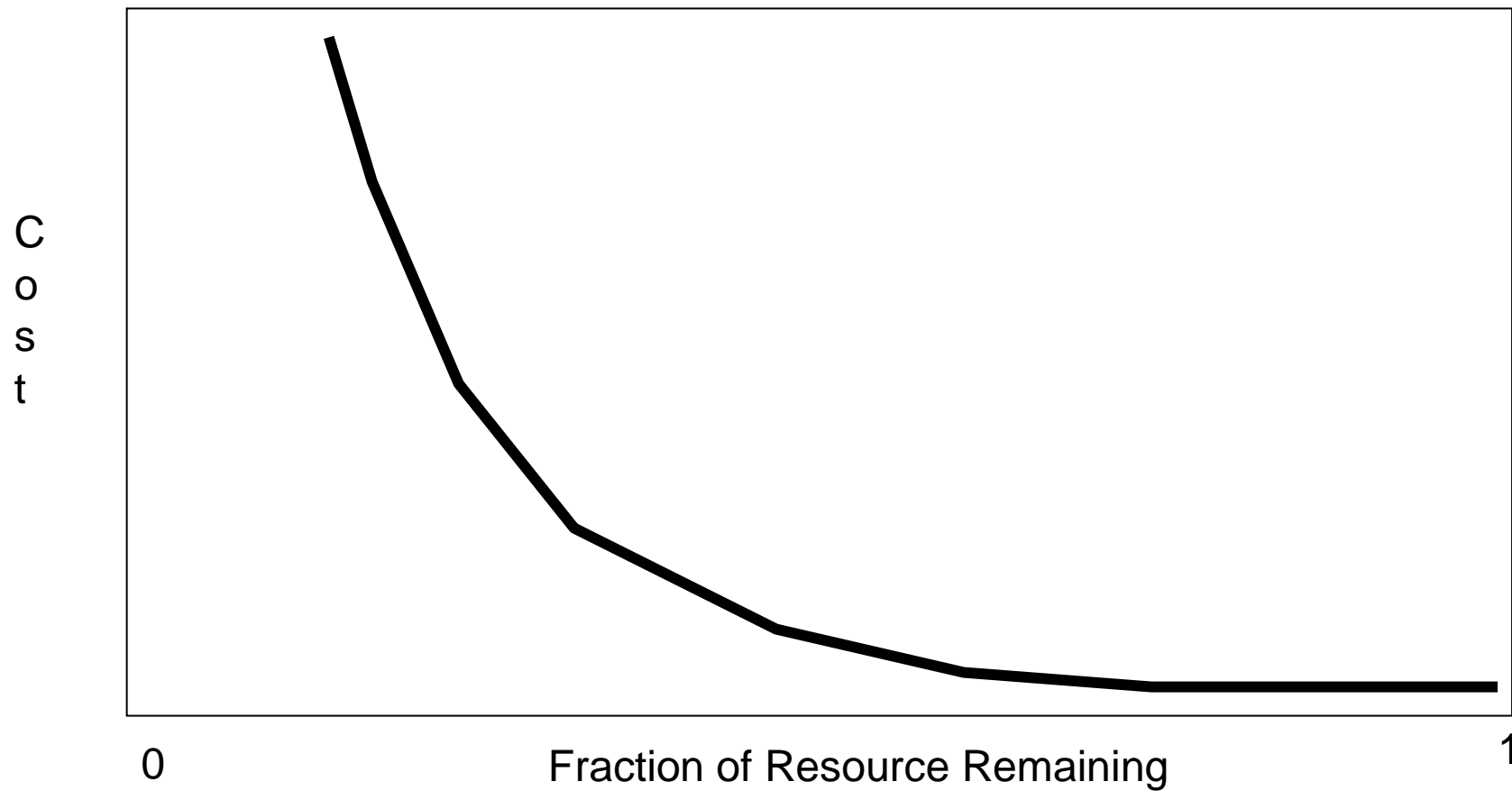
Service Output

Industrial Investment

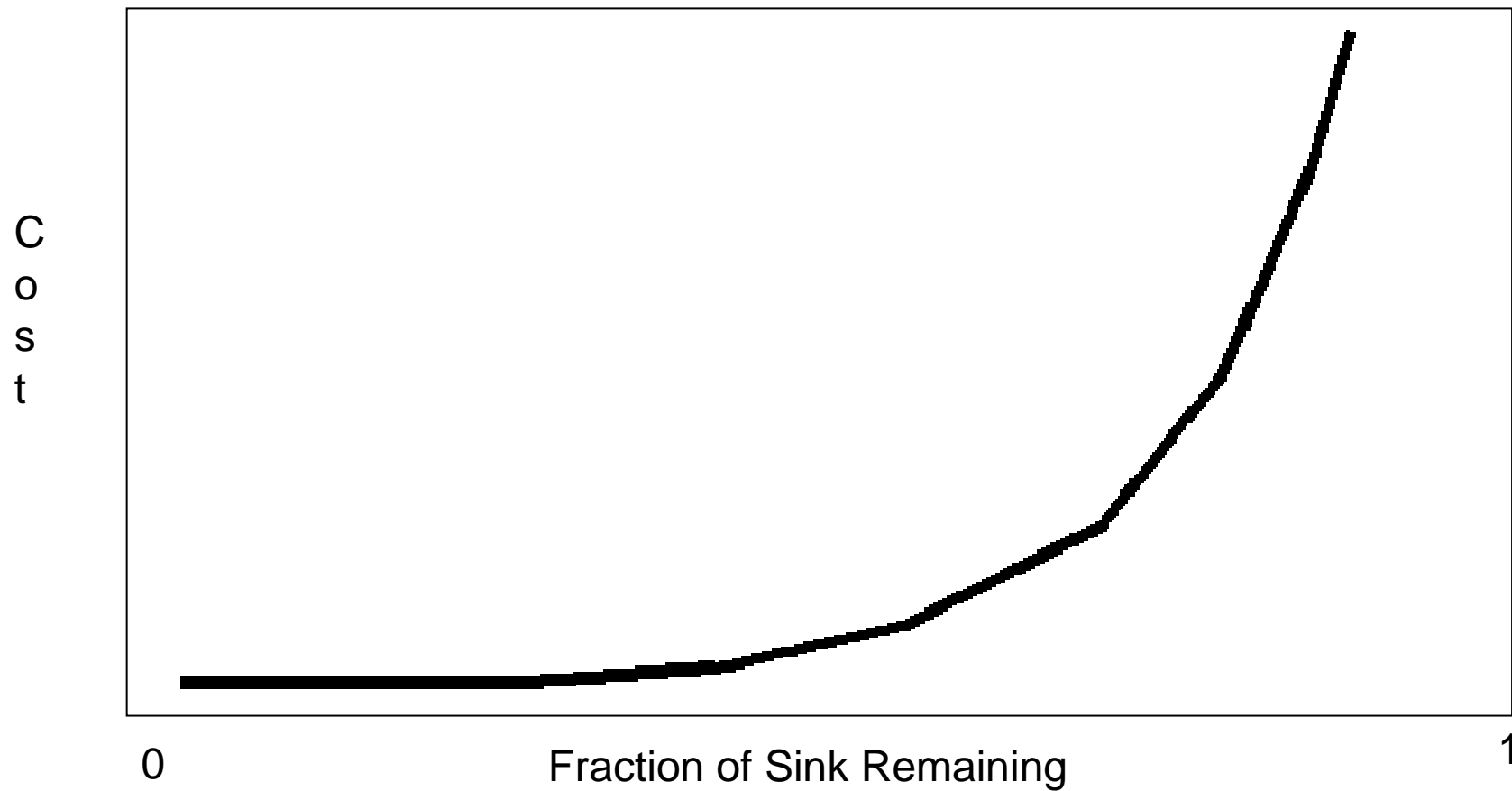
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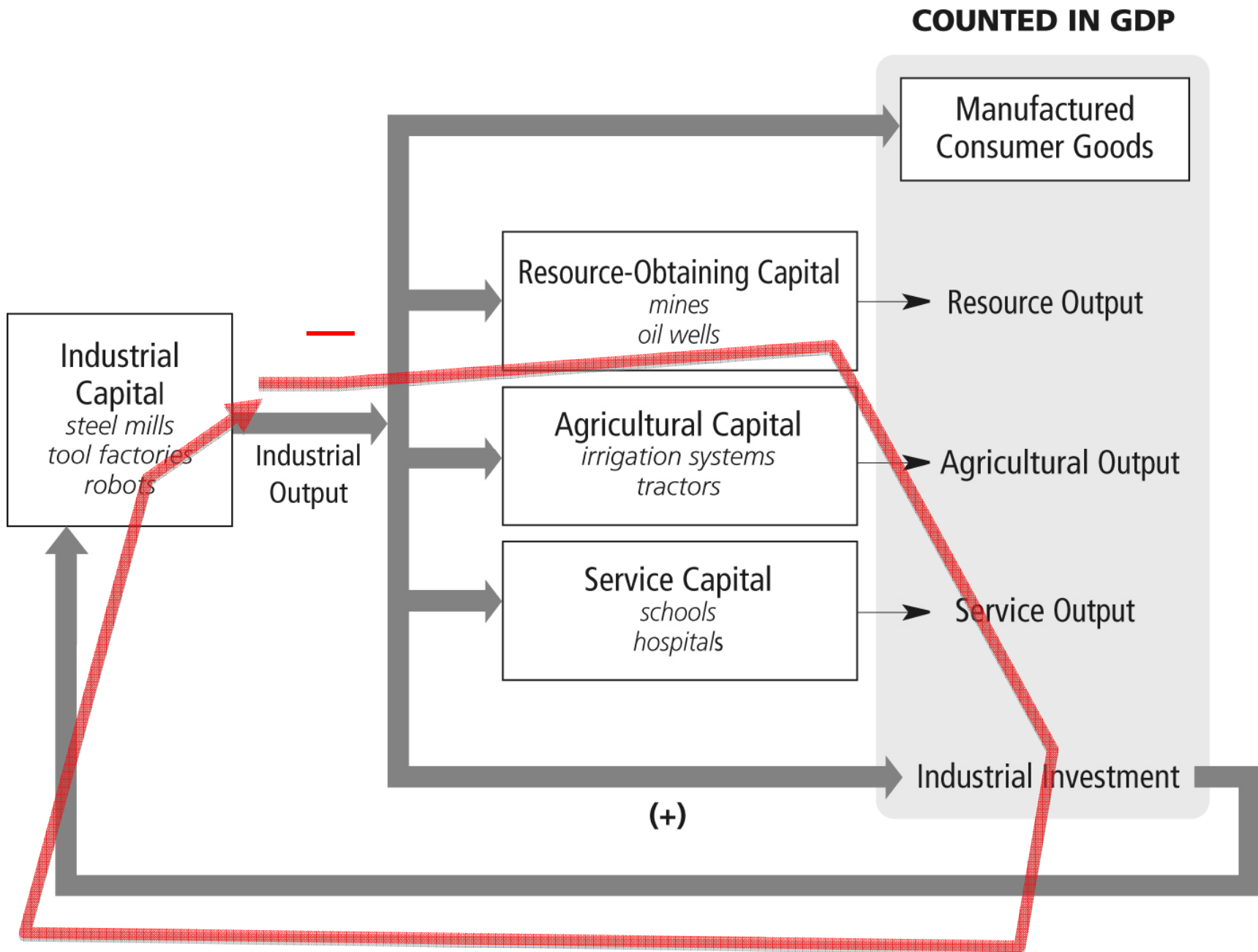


Capital Cost of Discovery

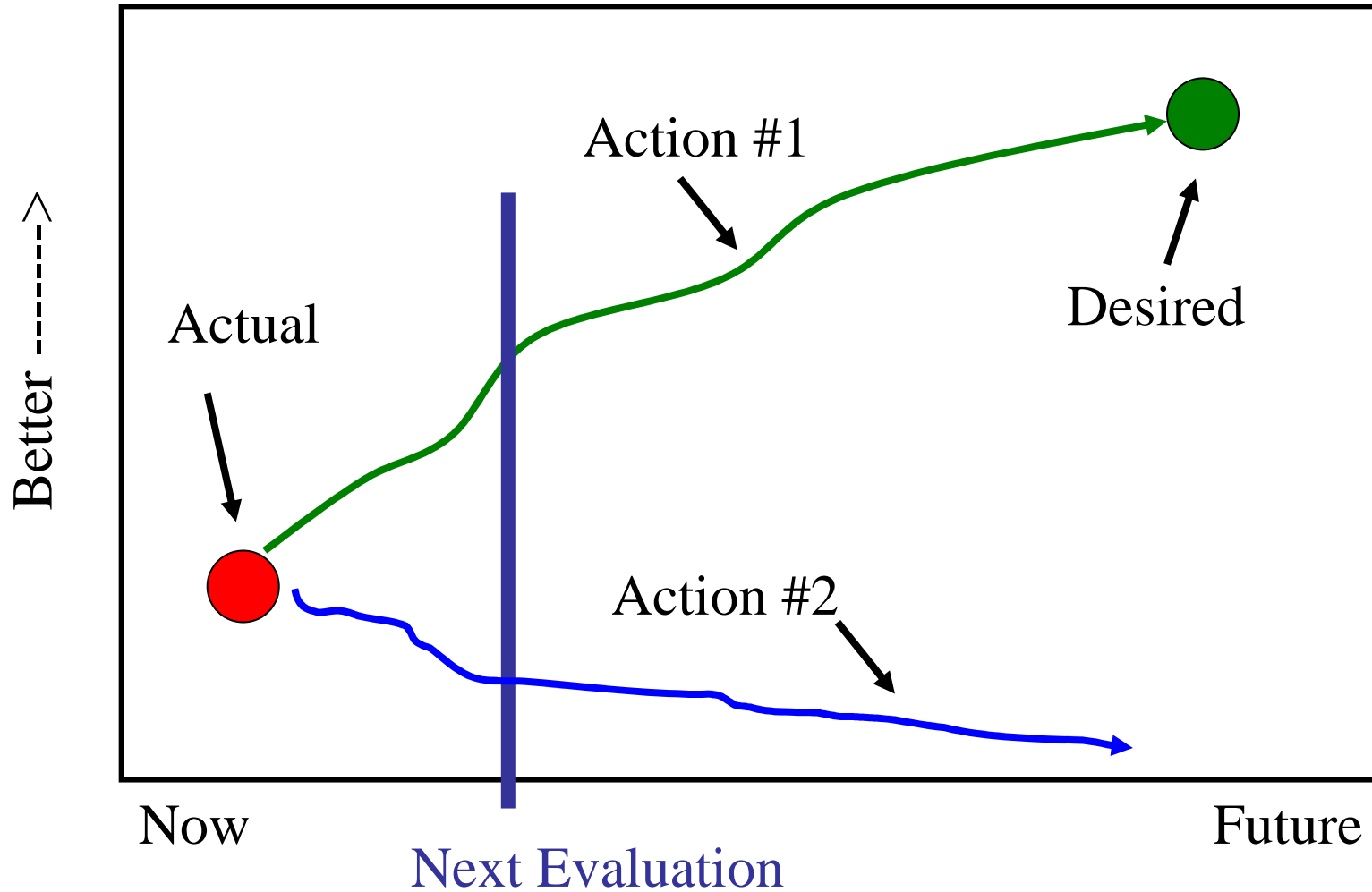


Capital Cost of Abatement

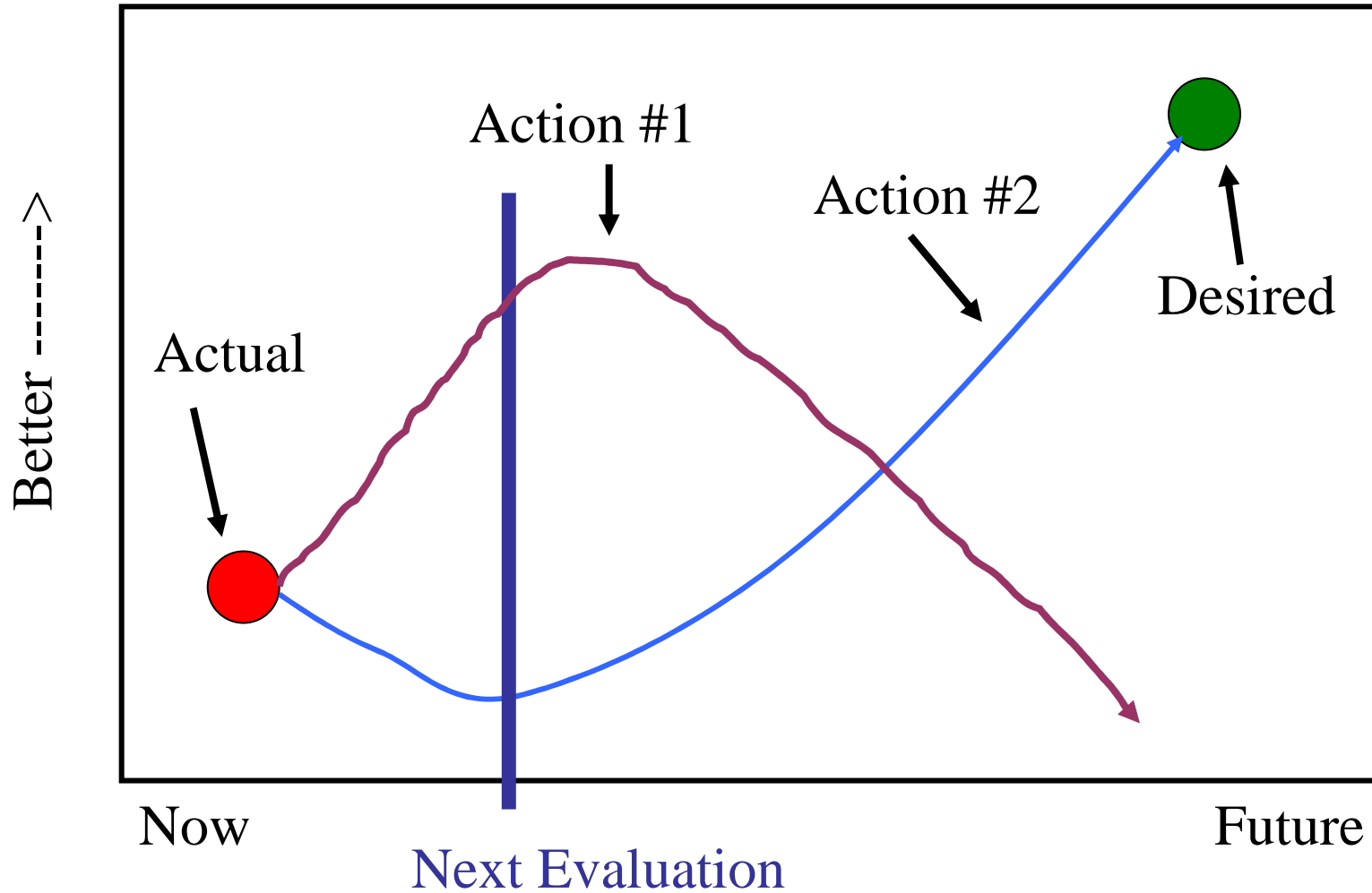




Easy Problems



Difficult Problems

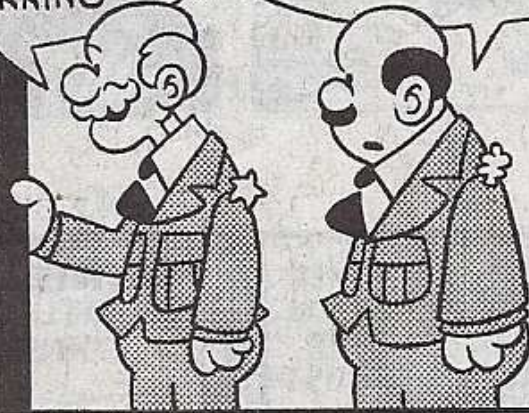


BEETLE BAILEY

I THINK BY THIS TIME
NEXT YEAR, MY PLAN
WILL BE WORKING



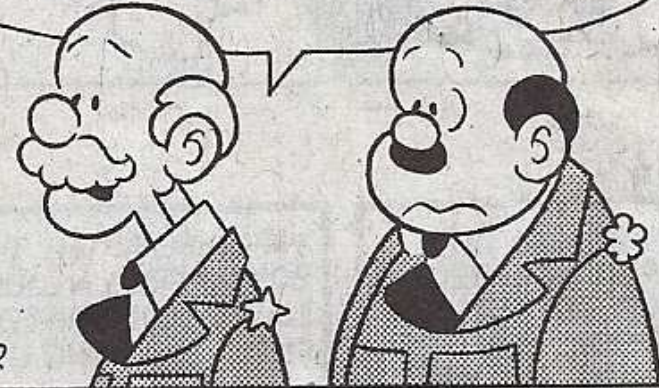
CAN YOU REALLY SEE
THAT FAR AHEAD?



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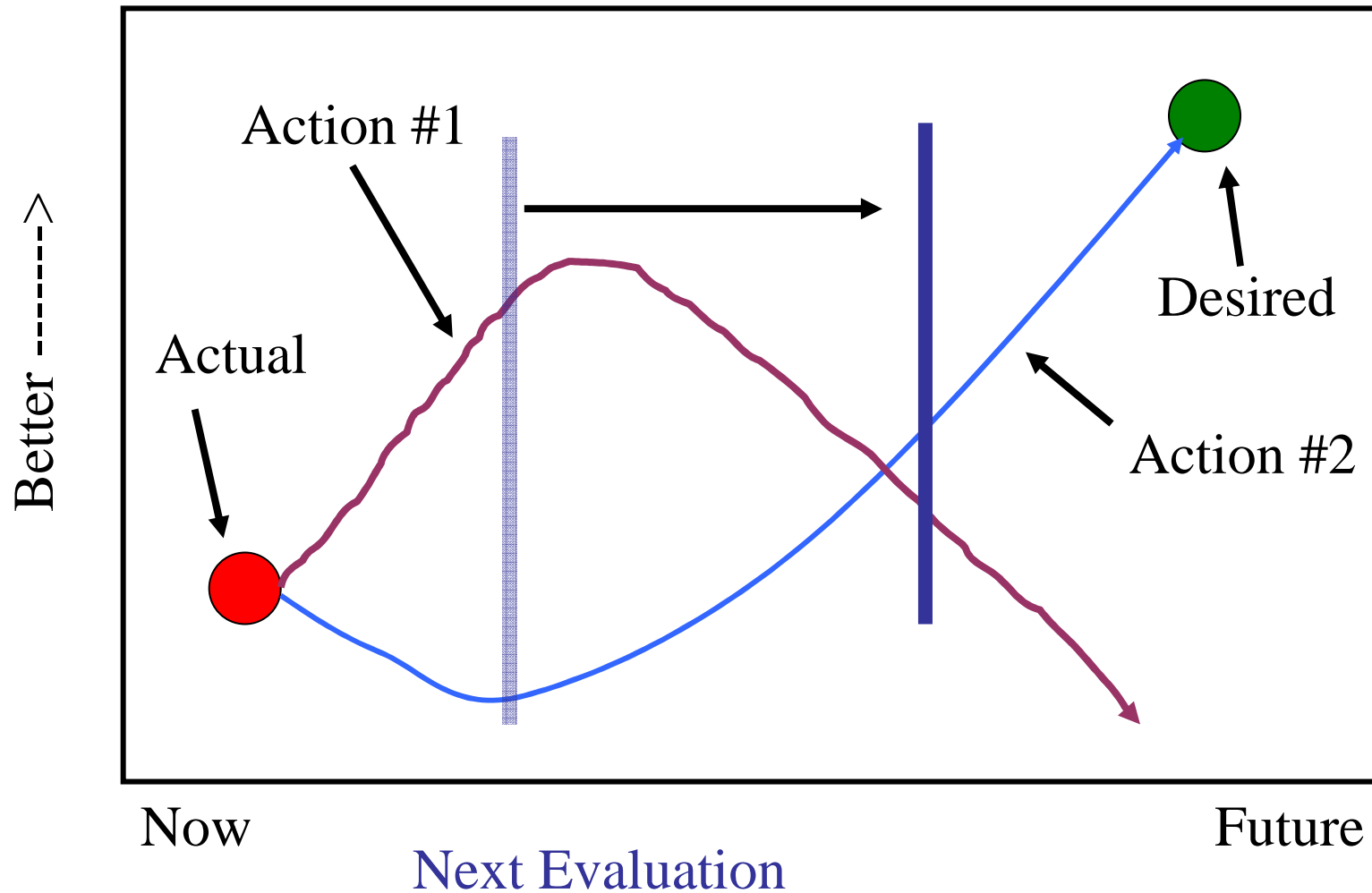
MORT WALKER

OH, YES. IN FACT, I CAN SEE
TWO YEARS FROM NOW WHEN MY
PLAN WILL BE A COMPLETE DISASTER



GREG +
MORT
WALKER

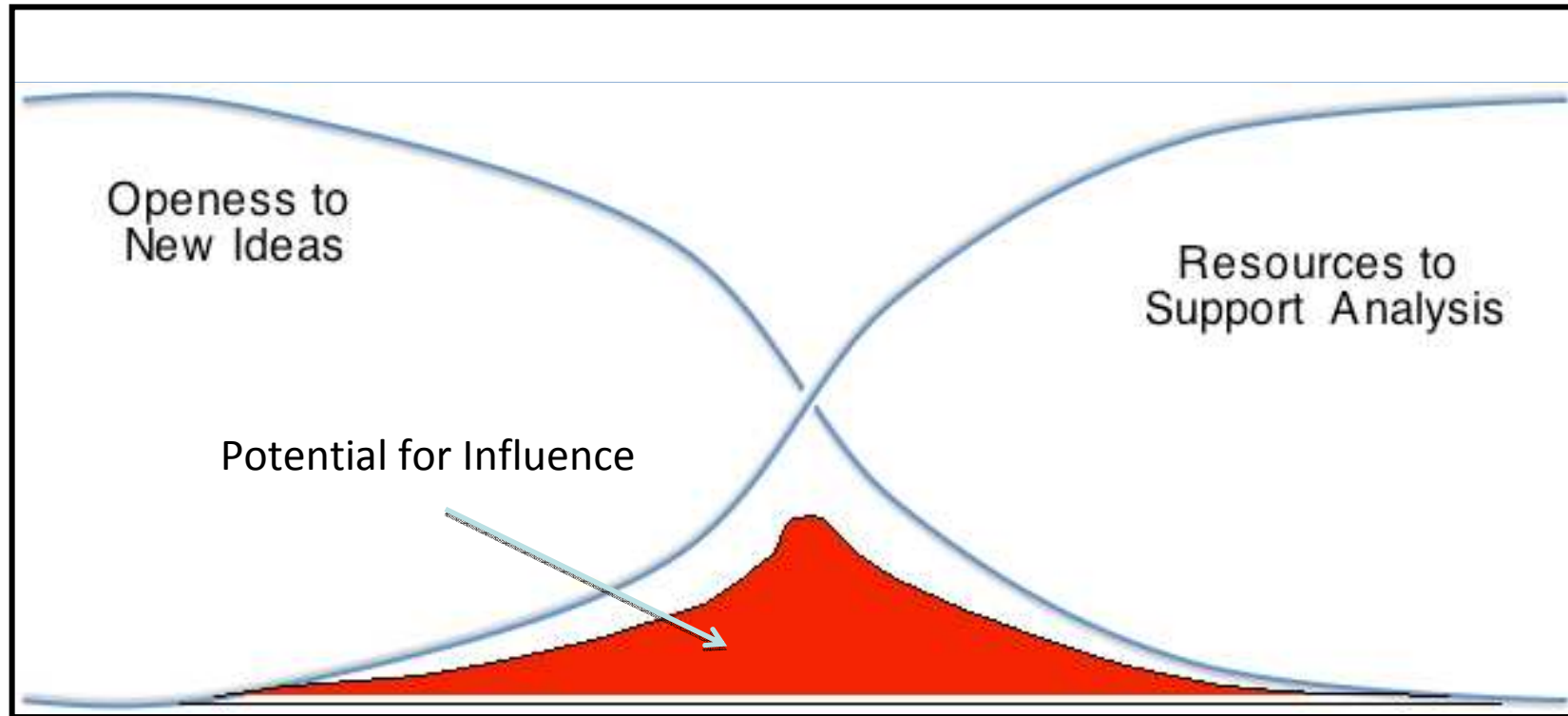
Difficult Problems Become Easy with Greater Time Horizon



Function

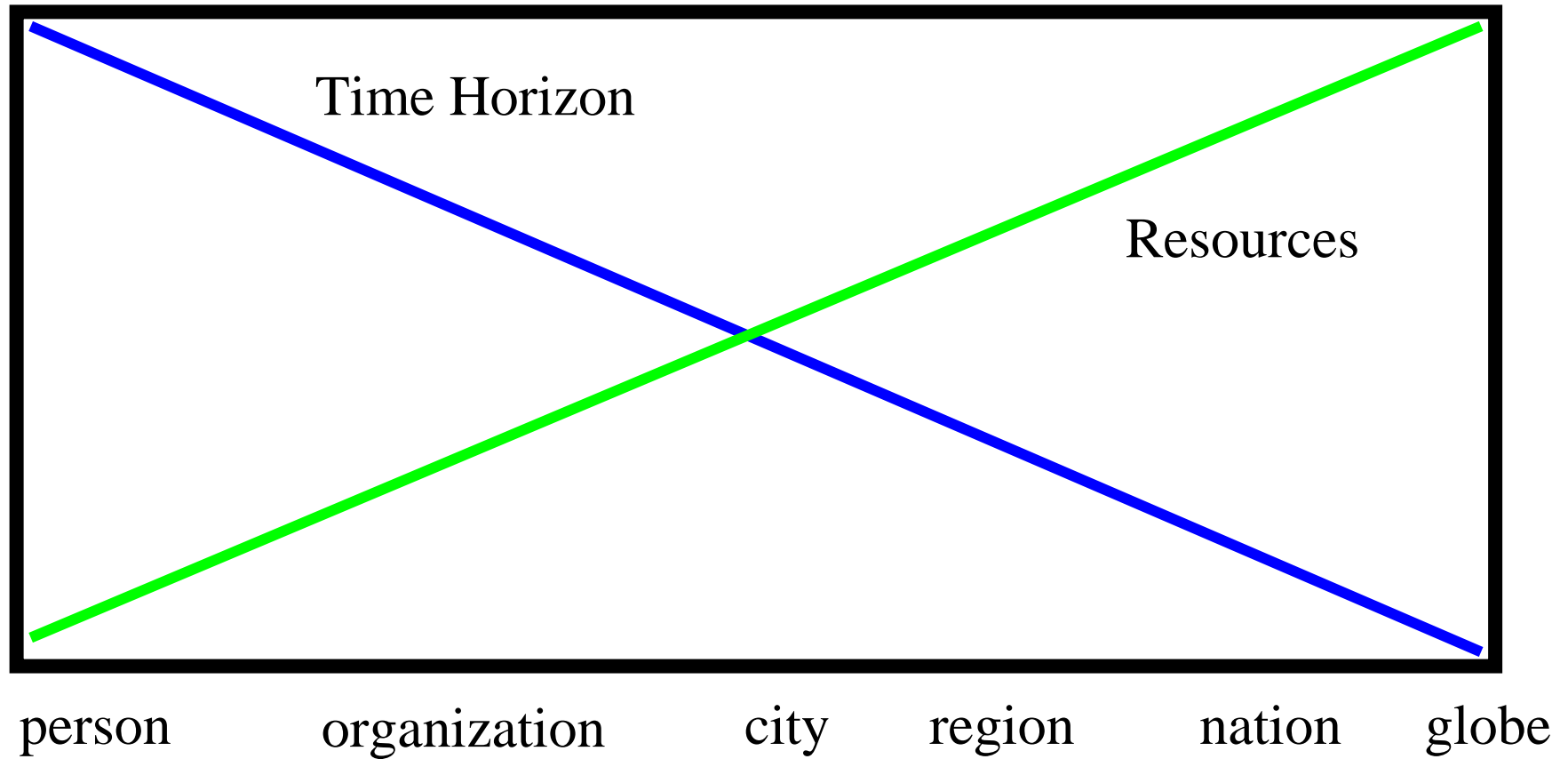
- Function
 - Indicators \rightarrow Problems or
 - Problems \rightarrow Indicators
 - Invisible college

The Window of Influence



Time

Level of Focus



Institutionalizing the Process

- Enlist the media
- Find partners in the ministries
- Develop a clientele among industry and finance
- Distribute the process across the nation
- Develop partners in the major parties
- Invest in a few future crises