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**Measuring what we treasure:
Researchers propose the *Recoupling Dashboard* as new assessment of wellbeing**

- The first-ever Recoupling Dashboard uses economic, environmental and social measures to explore the roots of populism and social fragmentation
- German Minister of Economics, Peter Altmaier: "Concept of the 'Recoupling Dashboard' can provide important insights"
- Switzerland and New Zealand lead in social prosperity while the United States suffers from falling solidarity, Germany's environmental performance is declining

BERLIN, Feb. 20, 2020 – *To stop the fragmentation of our societies and to shape a sustainable economy, we require more than Gross Domestic Product (GDP) and more than shareholder value as guides for governments and businesses. Measuring wellbeing in the 21st century must also take into consideration social solidarity and personal agency, as well as environmental sustainability. Prof. Dennis J. Snower, President of the Global Solutions Initiative, and Dr. Katharina Lima de Miranda, researcher at the Kiel Institute for the World Economy, have developed the first-ever Recoupling Dashboard, a new instrument for measuring the wellbeing of societies.*

The Recoupling Dashboard puts people at the center of economics, politics and business

"The Recoupling Dashboard provides politicians and business leaders with an instrument that helps to promote the pursuit of wellbeing, characterized by prosperous people living sustainably in cohesive, open and empowering societies," says **Prof. Dennis J. Snower**, President of the Global Solutions Initiative. "A misunderstanding of what constitutes human wellbeing is responsible for the decoupling of economic prosperity from social prosperity, thus spurring the rise of populism and a backlash against globalization and multilateralism."

In their academic paper *Recoupling Economic and Social Progress*, first published in the peer-reviewed journal, *Global Perspectives* (UC Press; [link full article](#)), Snower and Lima de Miranda argue that globalization and digitalization have generated a sense of alienation and disempowerment in many countries, from which populism and a me-first nationalistic identity can develop. Despite ongoing economic growth worldwide, many people are afraid of the future. They feel increasingly alienated and disempowered and perceive their ability to shape their lives through their own efforts is dwindling. Snower and Lima de Miranda's analysis highlights the need for redesigning our economic and business models to promote sustainable, inclusive and empowering societal prosperity.

German Federal Minister for Economic Affairs and Energy, **Peter Altmaier**, comments: "Social security, social cohesion and environmental sustainability are, besides economic prosperity, key objectives of the Social Market Economy. Although GDP is an important indicator of wellbeing, it is by no means the only one. The concept of the 'Recoupling Dashboard' can provide important insights into the evaluation of the additional objectives."

Recoupling Dashboard broadens debate on moving beyond GDP and shareholder value

New movements and policy initiatives, such as the Fridays for Future movement, the European Green Deal and the massive increase in climate policy reporting show that a change in thinking is taking place.

Colm Kelly, Global Tax & Legal Services Leader and Global Purpose Leader, PwC, emphasizes that companies must also assume greater social responsibility: "The Recoupling Dashboard is an important step forward and one that gets closer to a world in which the economy delivers for society once more. There is no time to waste."



Empirical results: Rise of GDP in many large Western countries is accompanied by social fragmentation

In their analysis from 2007 to 2018, Snower and Lima de Miranda show that a rise of GDP in countries such as the United States, France, UK and Germany, has been accompanied by a stagnant or falling social solidarity. Especially in the United States: Though in the top 10 based on its growing GDP per capita, the US has stagnated in personal agency and decreased in social solidarity. Germany, which experienced a rise in GDP per capita, simultaneously witnessed a fall in environmental performance. Switzerland, Luxembourg, New Zealand and Iceland are especially strong in the social dimensions of the Recoupling Dashboard in the 2018-analysis.

Snower adds: "Economists and policymakers have been blindsided by the rise of populism, since they mistook fundamentally non-monetary social phenomena, such as disempowerment and social alienation, for economic phenomena such as rising inequality and falling economic mobility. Our Recoupling Dashboard suggests, however, that GDP per capita and inequality - though important - are incomplete indicators of social wellbeing."

The Recoupling Dashboard presents new indices to measure social wellbeing

The Recoupling Dashboard proposes the measurement of wellbeing through four indexes: solidarity (S), agency (A), material gain (G) and environmental sustainability (E) - SAGE, promoting a sagacious approach to policy making and business strategy. Solidarity and agency are novel measures that can be measured annually across many countries, alongside GDP per capita and environmental performance. Solidarity covers the needs of humans as social creatures, who want to live in societies that generate a sense of social belonging. Agency involves individual empowerment and covers people's need to influence their fate through their own efforts.

Dr. Katharina Lima de Miranda, researcher at the Kiel Institute for the World Economy, explains: "The Recoupling Dashboard forms the basis of a comprehensive research tool and gives an easy-to-read assessment of social fragmentation and cohesion. When all dimensions are in harmony, society can make progress towards recoupling social prosperity with economic prosperity."

All figures, cross-country analyses and historical comparisons of the Recoupling Dashboard can be viewed at www.recoupling-dashboard.org. The Recoupling Dashboard will be presented at the Global Solutions Summit on April 20th and 21st in Berlin/Germany and published annually.

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Prof. Dennis J. Snower is President of the Global Solutions Initiative. He is Professor of Macroeconomics and Sustainability at the Hertie School, Berlin; Senior Research Fellow at the Blavatnik School of Governance, Oxford University and Non-resident Fellow of The Brookings Institution. He is President Emeritus of the Kiel Institute for the World Economy and has published extensively on employment policy, the design of welfare systems, caring economics and monetary and fiscal policy.



Dr. Katharina Lima de Miranda is a researcher at the Kiel Institute for the World Economy (Research Coordinator of the Global Solutions Initiative) and guest professor at Hamburg University. Her current research focus lies in the application of behavioral economic insights to sustainable social development, whereby she builds on her rich expertise in empirical and experimental economic research. In addition to her research, she is the Research Director of the Council for Global Problem-Solving – a network of renowned think tanks that provides scientific advice to the G20 and associated international organizations.

Accreditation for the Global Solutions Summit 2020 (20+21 April, ESMT, Berlin/Germany)

The Global Solutions Summit – The World Policy Forum – is where international research organizations, thought leaders and decision-makers from political, business and civic communities come together to discuss solutions to major global problems. Key topics at this year's Summit include the Recoupling Dashboard, the Future of Multilateralism, Climate Change, Infrastructure Investment and more. [Request media accreditation](#)

About the Global Solutions Initiative

The Global Solutions Initiative is a global collaborative enterprise that proposes policy responses to major global problems, addressed by the G20, the G7 and other global governance fora. The policy recommendations and strategic visions are generated through a disciplined research program by leading research organizations, elaborated in policy dialogues between researchers, policymakers, business leaders and civil society representatives. The Global Solutions Initiative supports the Think20 process for think tanks and is a stepping stone to the T20 and G20 Summits. www.global-solutions-initiative.org

About the Kiel Institute for the World Economy

The Kiel Institute for the World Economy (IfW Kiel) is an international center for research in global economic affairs, economic policy consulting, and economic education. The Institute engages especially in creating solutions to urgent problems in global economic affairs. On the basis of its research, the Institute advises decision-makers in policy, business, and society and informs the broader public about important developments in international economic policy. The IfW Kiel is the Research Coordinator of the Global Solutions Initiative. www.ifw-kiel.de