

## **G20 think tanks support call for a new measure of prosperity**

PRESS RELEASE, 18.08.2020 – In January 2020, the Global Solutions Initiative (GSI) presented the [Recoupling Dashboard](#). The Recoupling Dashboard is a proposal for a new research tool of wellbeing that includes not only a measurement for economic prosperity, but also environmental sustainability and social prosperity through agency and solidarity. The so-called Think20 (T20), a network of international think tanks and official engagement group to the G20, has [recently appealed to the G20](#) to adopt this new way of measuring wellbeing.

**Dr. Markus Engels**, Secretary General of the GSI, states: "Without a new understanding of how we define prosperity and economic growth, we will neither effectively combat pandemics, climate change nor global poverty. The effects of economic growth on the environment, society and the individual must therefore become the focus of attention when assessing wellbeing."

With the Recoupling Dashboard, the authors 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 proposed a new research tool that is much more comprehensive than the gross domestic product (GDP) that has been established for decades. The Recoupling Dashboard's approach sheds light on the decoupling of economic growth from societal prosperity and provides an empirical basis for mobilizing action in government, business and civil society to promote a recoupling of economic and social progress.

**Dr. Katharina Lima de Miranda** argues: "Measuring growth and prosperity via GDP was flawed from the outset and did not adequately reflect the social and economic reality. In view of societal fragmentation, climate change and digitization, a more comprehensive measurement of prosperity, such as the one presented for discussion through the Recoupling Dashboard, is more than overdue".

In a statement on social development measurement, the researchers of the T20 point out that growth alone does not necessarily mean a general increase in wellbeing for the community. Therefore, the social and societal impacts would need to be taken into account to a much greater extent in the corresponding measurement.

This rethinking is also taking place in business. **Prof. Marc Fleurbaey**, Global Solutions Fellow and Research Director at the French National Centre for Scientific Research (CNRS), points out: "It is crucial to promote responsible behaviour in the private sector by enhancing transparency. This can be achieved through harmonizing norms of reporting on environmental, social and governance impacts, incentivizing socially and environmentally-oriented repurposing of corporations, and enforcing inclusive governance toward a stakeholder-value approach."

Many companies and industry initiatives have already initiated a discourse. For example, the Value Balancing Alliance is working on a model for measuring value contributions for environment, society and economy with the support of the GSI. At the [Global Solutions Summit 2020](#), Peter Bakker, President and CEO of the World Business Council for Sustainable Development, and Bob Moritz, Chairman of PwC International, discussed in detail the [need for changes in economies and companies](#) for a sustainable post-Covid-19 world.

### **About the Recoupling Dashboard**

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.

More information as well as all figures, cross-country analyses and historical comparisons of the Recoupling Dashboard can be viewed at [www.recoupling-dashboard.org](http://www.recoupling-dashboard.org).

The political recommendation for action to the T20 based on this can be found at [www.g20-insights.org/policy\\_briefs/recoupling-economic-and-social-progress](http://www.g20-insights.org/policy_briefs/recoupling-economic-and-social-progress).

### **Biographies**

**Prof. Dennis J. Snower**, author of the Recoupling Dashboard, 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**, author of the Recoupling Dashboard, 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.

**Prof. Marc Fleurbaey** is a Global Solutions Fellow, Research Director at the French National Centre for Scientific Research (CNRS) and professor at Paris School of Economics, as well as Co-Chair of the T20 task force on Social Cohesion and the State. His research has contributed to the theory of social choice and fair allocation and included applications to health policy, education, income taxation, climate mitigation, and the construction of indicators of well-being and social welfare.



### **About the Global Solutions Initiative**

The core of the Global Solutions Initiative (GSI) is a non-profit organisation that organises civil society participation in multilateral forums and provides research-based policy recommendations through a global network of research institutions – in particular for the G20. One of its aims is to facilitate an overarching dialogue between researchers, policy-makers, business leaders and representatives of civil society.

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