

COP27 proves: The patient is diagnosed with instruments from the last century

The Economy for the Common Good calls for an up-to-date tool to measure the health of the planet: a Common Good Product

Hamburg | In the face of climate catastrophe and growing inequality, our current way of measuring economic success has failed. Whereas political leaders have a hard time in deciding effective commitments and protecting both the planetary ecosystems and future and living human generations from harm to health and life, protagonists from sustainable economic, business and finance initiatives are developing true game changers. One is the Common Good Product (CGP) which should replace the outdated Gross Domestic Product (GDP) as a measure of macroeconomic success as early as possible. It can be developed and used by every city, region, country or international community, including the UN. It measures what really matters, including a healthy environment and stable ecosystems as well as strong democracies and cohesive and inclusive societies.

According to a growing number of economists the Gross Domestic Product (GDP) is not designed to indicate the health of people and planet. Christian Felber, initiator of the Economy for the Common Good: "The core of the problem is that GDP has little to do with the economy's overarching goals such as satisfying basic needs, general welfare, life quality, or the common good. It neither computes adequately the positive steps towards these goals, nor accounts for economic activities that work against these goals. In other words, it does not serve as a compass for policymakers or society to help keep track of whether our economy is heading in the right direction."

To address the lack of an effective tool to evaluate a society's success, the Economy for the Common Good has now published a policy paper in which the idea of the Common Good Product is described in detail. A central innovation is the development of a participatory process in which the sovereign population can develop a Common Good Product itself. CGP assemblies can be held in a multi-round process, first at the municipal, then regional and finally national level. The direct organisation of a federal convention by random selection is also conceivable. The convention members can collect their own proposals plus others from the population (for example through liquid democracy) and filter out those 20 sub-goals that enjoy the strongest support. These 20 "finalists" would be included as sub-goals in the future Common Good Product. All goals must serve to satisfy basic needs and safeguard basic values and common goods. In a final phase, experts can operationalise the sub-goals with the help of indicators, e.g. two to five per sub-goal. The guiding question should be: How can the achievement of the respective sub-goal be measured most effectively? This would make it possible to compare the Common Good Product of a country over time as well as internationally with other countries. The CGP could be used as a tool to assess the impact of proposed legislation and other policies on core values and societal goals. Such a tool would be akin

to a common good evaluation or compass for new legislation. Companies and investment projects could be assessed on what they contribute to the achievement of the 20 sub-goals of the CGP.

Says Christian Felber: "A democratically designed Common Good Product would be a real game changer. It would reorient the economy from primarily financial performance indicators to the true goals of the economy: well-being, satisfying basic needs, life quality, improving the common good, and ensuring a good life for future generations."

[Download policy paper](#)

Christian Felber participated in the first Future Economy Forum and contributed with an overview of alternative models & metrics for the levels of economy, business and finance. On request, we send the overview or offer an interview with the founder of the ECG.

[Future Economy Forum](#)

[Solutions Summit](#)

About the Economy for the Common Good

The Economy for the Common Good advocates a more ethical economic model, in which the wellbeing of people and the environment become the ultimate goal of business. The worldwide movement exists since 2010 and is based on the ideas of the Austrian writer Christian Felber. Currently the movement consists of over 11,000 supporters, more than 4,000 activists in more than 170 local chapters and 40 associations. Over 1.200 businesses, towns and organisations have completed the Common Good Balance Sheet. Worldwide nearly 60 municipalities and 200 universities are actively involved in spreading the idea of the Economy for the Common Good. On 29 Sep. 2018 the International Federation was founded and consists of 10 national associations.

Further Information: www.ecogood.org

For general questions about the Economy for the Common Good, please contact: press@ecogood.org

PRESS RELEASE
