TOPIC 1

1) Michael Green: "What the Social Progress Index can reveal about your country":

The author of this speech, **Michael Green**, says that on January 4, 1934, **Simon Kuznets**, an economist, delivered to the United States Congress a report called "***National Income, 1929-1932***", which gave life to the **GDP** (Gross Domestic Product, in italian: PIL), which is a strument that measures the value of goods produced in a country in a year. Kuznets' report, was delivered during the **Great Depression** (1929), and **policy makers** were struggling to respond to this crisis because they didn't have any reliable data or statistics.

However, Kuznets warned policy makers that GDP was just a strument that measures **economic performance**, and not people **well-being**. But, despite this warning we live in a world where GDP it is considereded an important indicator for the success of the economy, without considering **happiness, fairness** or **justice**.

Kuznets then introduced a new index, called the **Social Progress Index (SPI)** that measures the well-being and it is based on 3 factors and 12 components:
- Basic needs for survival: **food, water, shelter, safety**;
- Possibility to improve life quality: **education, information, health and sustainable environment**;
- Opportunity to follow dreams and ambitions: **having rights, freedom of choice, freedom from discrimination, access to the world's most advanced knowledge.**

From these **12 components** Michael Green created a graph where horizontally he puts GDP per capita, and vertically the Social Progess Index. This graph shows us that: the number one country on social progress is **New Zealand** and the country with the least social progress is **Chad**;

There are some differences between GDP and SPI:
- SPI measures well-being, GDP measures the economic success of a country;
- SPI protects environment (example: Amazon rainforest), GDP doesn't it;
- SPI helps countries to develop with real improvements in people's life, instead GDP doesn't it.

The **relation** between GDP and SPI is that there is a ***trend line***, therefore countries with low GDP have a faster social progress growth than other countries with a higher GDP.

2) What is the OECD better life initiative?

The **OECD** (Organization for Economic Co-operation and Development) launched in 2011 the **Better Life Initiative,** which distinguishes between **current** and **future well-being**.

Current well-being is measured in terms of **material living conditions** and **quality of life**. These **2 elements** are broken down into **11 dimensions**:

1. **Income and wealth**: it measures economic resources that people can use to satisfy needs;
2. **Jobs and earnings**: they offer the opportunity to fulfil people's ambitions;
3. **Housing**: important for health and subjective well-being;
4. **Health status***:* allows to do personal/social activites that contribute to reach the well-being;
5. **Work-life balance***:* important in terms of family life, personal care, etc.
6. **Education and skills**: necessary to achieve economic & non-economic outcomes;

7. **Social connections**: they are needed to achieve important goals such as finding job and so on;
8. **Civic engagement**: having a political voice in the society;
9. **Environmental quality**: important for people's health;
10. **Personal security**: living in a secure environment is important;
11. **Subjective well-being**.

Future well-being it's based on key resources like: human, social, natural and economic capital.

3) Nick Marks: "The happy planet index":

In this speech, **Nick Marks** says that he wants us to stop thinking that the future for humanity will be "a nightmare". Then, he talks about a movie called "**The Road**", in which a father and his son trying to survive in a post-apocalyptic world walking along the road.

Then, he explains that in the western world, we have enough goods, services and other stuff, but we continue to think that GDP measures everything, but it's wrong because it doesn't consider **happiness**, **people's well-being**, **social justice**, and so on.

Marks then introduced the **Happy Planet Index** that measures the efficiency of a country, the happiness, and so on, and he shows a **graph** where, horizontally, he puts the ==ecological footprint== (*) and vertically he puts the "happy life years".

(*) ==Ecological footprint==: in an indicator used to value human consumption of natural resources compared to Earth's ability to regenerate them.

Unexpectedly, countries with a few stuff than USA and a lower GDP, have a better Happy Planet Index. An example of this is Costa Rica, that it is doing really good things such as:

- The almost totality of electronic energy comes from green sources (sun, water, wind)
- The prospective to be independent from carbon
- Abolition of military expenses investing on sanity and instruction.

Anyway with another graphic Nick showed us how we're loosing efficiency, because we are unable to transform resources into wellness for the country. A way to solve this problem could be to create a **common objective** with the aid of media and create national accounting welfare system.

However Nick Marks explains that we can do five simple things to be happy:

- Have good relations with other people;
- Be active;
- Pay attention and care about what's going on in the world;
- Continue to learn new things;
- Be generous and kind.

4) The real wealth of nations – The economist:

Since GDP measures income and not wealth, the United Nation and **Sir Pantha** published in march 2012 a method that is able to value wealth with 3 types of capital:

- **Physical capital** (buildings, infrastructures, machines)
- **Human capital** (instruction and population skill, education, workers incomes)
- **Natural capital** (land, forest, minerals, fossils)