

# **Forum pour d'Autres Indicateurs de Richesse** (Forum for other indicators of wealth)

## **FAIR MANIFESTO**

December 2008

### **From a “some have much” society to a sustained “well-being-for-all” society**

*Other indicators are needed, let's build them together!*

#### **1. Crisis situation – change is urgent**

Year after year, we have witnessed ecological, social and economic disorders systematically taking root and intensifying. The present financial crisis dominating the world scene is, in fact, merely the current most visible face of multiple structural crises that have long brought extreme precarity and human dramas to some of the world populations in a context of increasing inequalities.

Intensified productivist development in some countries of the world, increased pressure of an excessive capitalism, devotion to economic liberalization and individualism, have led us to a critical situation over a period of a few decades:

- 20% of the world population uses 80% of the world's natural resources;
- extreme poverty continues to exist within a society of abundance, as testified in particular by the world food crisis;
- the predatory behaviours and militarist logics of some have destroyed basic common goods, and resulted in the whole of mankind and the planet heading for disaster.

These facts illustrate Gandhi's famous saying that "*the earth has enough resources for our needs – not for our greed.*"

What Gandhi had not foreseen was that the development of human activities in its present form would cause such harm to global commons in general and to natural resources in particular; that the future of the planet, and even more so of humanity, would itself be put at risk.

The mere example of climatic change and its attendant forced migrations (according to international organizations, more than 230 million people will have been displaced by the year 2050) teaches us that the crises are intimately linked. The solution is no longer merely in a better distribution of wealth in a world of unlimited growth, but in the invention of new social, ecological, economic and democratic orders so that collective history can endure.

Today, at least in some parts of the world, the real risk (if not already the reality) is not only a structural lack of goods and services, but also a definitive deprivation of global commons (e.g. healthy soil, water, breathable air, etc.) that we have always regarded as an intrinsic and immutable right for all.

We are now faced with the end, if not the final loss, of certain natural resources, which means that we are on the point of bequeathing the emerging and future generations a poorer legacy than the one we inherited. It is the same with cultural diversity, even though this is recognized as the "main heritage of humanity" – Article 1 of the Agenda 21 for Culture at Forum Barcelona 2004 – whose current (or heralded) destruction has reached a scale never equalled, creating a breeding ground for new logics of war.

In this situation, we consider it urgent to stress that everyone's access to an identity and cultural exchange, to a decent standard of living with its underlying basic consumption, and to a chosen life environment and the fundamentals of living well without which "well-being" cannot exist, form part of the essential rights laid down in the 1948 Universal Declaration of Human Rights, and that it is our individual and collective responsibility to ensure it.

*"All human beings are born free and equal in dignity and rights.  
They are endowed with reason and conscience  
and should act towards one another in a spirit of brotherhood."*  
1948 Universal Declaration of Human Rights, Article 1

*"Everyone has the right to a standard of living adequate for the health  
and well-being of himself and of his family, including food, clothing, housing and medical care  
and necessary social services, and the right to security in the event of unemployment, sickness,  
disability, widowhood, old age  
or other lack of livelihood in circumstances beyond his control"*  
1948 Universal Declaration of Human Rights, Article 25

Environmental, social and economic imbalances are today such that to consider the "well-being of all" as the core of a new societal project (and thus of the notion of progress) is no longer merely a return to humanistic visions, but a pressing need for the survival of all.

We can cynically say that it is "thanks" to the destructive, and henceforth undeniable, impacts of climatic change, or to the chain effects of the financial crisis, that opinions are slowly converging towards the idea that changing the reference system is no longer an option, but the only possible way out.

## **2. The world changes, but our frames of reference persist**

*"No problem can be solved from the same level of consciousness that created it."* – Albert Einstein

More than ever, this premise is meaningful. It outlines a scenario for avoiding the disaster, and for devising new paths that need to be followed by our present society and future generations.

Although a crisis situation is no longer in question, the analytical tools used by political and economic decision makers, and the statistical and media treatment of "progress", continue to refer directly to the former system of thought dominated by economy and finance. This bias is perfectly illustrated by two aspects: firstly, a standard narrative of the world seen only in terms of ultra-capitalism; secondly, the official tools for measuring "wealth".

### ***The pitfall of a world seen only in terms of ultra-capitalism***

The last decades, as demonstrated by Riccardo Petrella<sup>1</sup>, have brought us a world in which even the meaning of words has changed. Our commonly accepted frame of reference is that economic growth means progress. "Company performance" refers to their capacity to create value for their shareholders and to produce at the lowest economic cost. "Free enterprise", in itself legitimate, has become a logic of lawlessness (no watchdog system, disappearance of democratic rules). And so on.

The productivist system has established the course of action for all. We have collectively forgotten that "growth" means "development", and that we can choose to develop above all in terms of "humanity", "human relations", "education", "environmental preservation", "economic and social security", "democratic quality", etc.

With the advent of the financial and economic crisis, many decision makers and medias pretended to have only just discovered that virtual economy excess has an impact on the real economy (as if the intense business relocations of the last decades were not entirely justified by financial and trading logics). Neoliberalism seems to have been officially burnt at the stake. And yet, the money that was pronounced as non-existent for eradicating poverty and hunger in the world abruptly flows in torrents to save the banks. Economic analysts continue to ascertain that stock markets are the barometer of the world's well being. Although the industrial development model is unquestionably sinking, everything is still being done to revive ultra-capitalism as soon as the storm has passed, which is unrealistic as far as we are concerned.

### ***Deception with the official tools for measuring "wealth"***

For several decades, these tools have instilled in us that there is "*no salvation without economic growth*". It would appear that low-performing economic and financial indicators are leading us inevitably to a situation of deadlock and collective depression. No matter the content of the financial flows (even should they derive from the sale of weapons, from the costs of repair and care resulting from road accidents, or from environmentally hostile activities) provided that they increase!

We are told that our relationship with human development and collective well-being must be analysed according to the way we spend (in the real or virtual economy) and in terms of our volumes of production and purchase (chosen or compelled).

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<sup>1</sup> "For a new account of the world" - 2007

We now know that growth of the Gross Domestic Product (GDP), which is supposed to inform us of the collective health of countries and territories, reflects neither progress in social health and human relationships, nor progress in natural resource protection.

The GDP does not, for example, consider the way economic wealth is distributed between society members. It is thus unable to indicate possible factors of social decohesion. It takes no account of the damage generated by production, or of the attacks on the collective heritage with which a society is endowed at any given time. It is unaware, in particular, of the ravages on the environmental heritage by industrial and commercial activities. It prioritizes calculation of the monetary value of produced goods and services, and discredits many other elements albeit fundamentally related to population welfare and environmental conservation: air and water quality; individual capacity for awareness and expression, for autonomy and peace; education and health levels; society's ability to maintain relative equality with regard to its members' living conditions; voluntary activities; domestic work; etc.

Many studies have already demonstrated, and this for some time, that this limited view of exchanges (in the literal sense of "giving and receiving") has misled us in outlining the prospects of sustainable human development. One does not need to be an economist to realise that "North-South trade" and "commercial exchanges", etc., have nothing to do with a balanced two-way exchange, and that to limit the concept of wealth to monetary and financial calculation of the transfers of goods and services is an appropriation of the term.

In this context, could a revision of the GDP, and by extension the "monetary units", suffice for assessing the "well-being" of society and its members on a protected planet? We do not, in principle, reject any attempt in this direction. But it would, in any case, only be a transitional posture, a contribution towards challenging the view that has been imposed on us for several decades and which assimilates economic growth with progress. Revising the Gross Domestic Product would be ineffective if the objective is indeed sustainable *human* development in all its dimensions.

A still limited number of *non-monetary* indicators, such as the UNDP Human Development Index (currently being redefined), various "social health" indicators and "ecological footprinting", enable us to look anew at the evolution of societies and natural resources. It is a start. We need to continue the work in order to define instruments with which to measure a multidimensional view of progress ("well-being for all on a protected planet") and ensure that it will be a topic of continuous democratic debate (for development and follow-up). But how to achieve it?

### **3. *Jointly* renewing our values and "steering" tools**

Getting out of the spiral of environmental and social destruction, materialist madness and democratic apathy requires a complete review of the frames of reference governing the world. This in particular assumes collective development of the benchmarks that we henceforth wish to adopt.

In this context, for example, it is now crucial to be aware of the confusion between the concepts of "standard of living" and "quality of life". It is equally crucial to reinfuse "quality of life" with a collective meaning, which is not just a simple aggregation of individual preferences but integrates the consideration of an enlightened relationship with others, with nature and with oneself, i.e. *"harmony between people, and harmony between Man and Nature"*.

What we therefore need to learn in order to promote human and planetary "well-being", and be able to measure it, is our capacity to implement the principles of:

- responsibility, and in particular the choice of "voluntary simplicity" (being reasonable in our demand for possessions so as to be "fair" in the distribution and use of resources);
- solidarity (in the literal sense of *"we are all part of a whole"*);
- otherness, allowing for recognition of individual differences, and the search for interactions between all for building new forms of social capital – cf. Amartya Sen;
- equal access to dignity, rights, "global commons", both material (e.g. water, food, housing, etc.) and immaterial (e.g. education, culture, etc.), well-being and a gentle way of life.

Redefining the national wealth "control panel" requires preliminary interrogation and debate as to what constitutes "values" (in the literal sense: *"life forces"*), what really matters, what gives sense to exchanges, what role is given to the democratic dimension of "living well together".

It is hardly conceivable to think that this approach can be achieved with ideological neutrality, because it requires making choices. This then raises many questions: what is a "rich" society? do we wish to remain with the present schizophrenic posture marked by the antinomy between the quasi-consensual call to adopt new consumer practices (in the name of the fight against the "excessive" greenhouse effect, and more generally of sustainable development), and the perpetuation of economic references totally contradictory with the social and environmental issues? Are we even ready to admit the fact that "living in a society" matters to us, and that the cohesion of this society and the balanced exchanges within it constitute a global common of some value?

It seems high time to give some thought to the objectives of our society in line with Kant's fifth thesis that *"The greatest problem for the human race [...] is the achievement of a universal civic society which administers law among men."*

No expert (economist or other), however well qualified, holds all the keys for defining the scope of "well-being" and that of the value and analysis of exchanges. Legitimacy for defining the societal project and its assessment indicators will come from collective negotiation involving all stakeholders.

We must decide together either to opt for an adaptive posture, which means backing a world in decline (like the recent financial rescue of the banks through public funds) for as long as possible, or to adopt another model with other benchmarks.

It is by giving back meaning to non-economic exchanges and to "what matters most" for us that we can redefine the concept of wealth and reforge sharing rules, trading instruments such

as currency, as well as accounting methods and appropriate redistribution systems. We shall then be in a position to return the economy to its proper place rather than let it take up the whole stage.

The undertaking is too vast and the democratic issue too challenging for anyone to imagine that any type of actor, Commission or network, is capable of embracing it alone. In this context, many stakeholders must bear the responsibility of initiating forthwith, and at national and local level, open pluralist public debates, enlightened by a diversity of experts, on the question of wealth and the logics of exchange. These stakeholders will include researchers, teachers and others in the academic field, members of Parliament (in their dual role of national actors and local referents), elected local representatives, trade unionists, political party leaders, coordinators of professional and citizen networks, etc.

**FAIR (the Forum for other Indicators of wealth), which groups a multiplicity of actors, intends to be involved in this process, concentrating on four directions:**

- **Linking and capitalising network, institutional and local initiatives for implementing new indicators;**
- **Vigilant collaboration with the ‘Stiglitz Commission’ to ensure that the Commission will be in a position to:**
  - **propose transitional solutions, i.e. a significant but provisional development of the system for calculating national wealth, based on references compatible with the requirements of sustainable development;**
  - **formulate, in the report to be submitted to President of the French Republic planned for Spring 2009, recommendations for the (post-Commission) continuation of the project, and for promoting a long-term wide-ranging national public debate;**
- **Organisation of joint events and participation at different meetings in order to contribute to the design of a governance model and its indicators for dealing with societal and democratic challenges;**
- **Active association with the experimentation at national (and local) level in the interests of international consistency.**

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