

## **Measuring What Matters**

*Submission to Australian Government Treasury*

Siobhain O'Leary

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To measure what matters we need to assess and address our collective values.

Right now, one could assume that what matters is money, profit, expansion of business and shareholder dividends at the expense of all else.

I do believe that Australians however genuinely care about equality, quality of life, democracy, social cohesion, and our incredible natural world. Yet none of these priorities are reflected in the emphasis we place on measuring our success in rising GDP alone.

In fact, when we cut down a forest teeming with biodiversity and turn it into wood chips GDP goes up, which equals success. When houses burn down in climate change fuelled bushfires or get washed away by climate change amplified extreme floods and they need to be rebuilt GDP goes up, which equals success. The harm done to people, communities, and our ecosystems by failing to measure what actually matters has devastating consequences.

Growth in and of itself is no indicator of success. If we start to truly understand how interdependent we are with a healthy ecosystem and each other as part of that then growth in many sectors is in fact a measure of failure and seeking to enhance it is a sure path to devastating environmental, social, and economic futures.

Growth in fossil fuels, forestry, sugar laden processed foods, plastic packaged goods, shipping, air travel, electronics with built in obsolescence and rising housing prices are not things to celebrate or measure in the 'good' column. They are indicators of a world on the brink of ecological and societal collapse.

The leading philosophy for many decades has been that a rising tide lifts all boats. We have been led to believe that wealth accumulated through favourable tax concessions for the asset class and profits arising from planning processes that favour business expansion at the expense of all else will all trickle down and benefit everyone. Nothing has exposed the fallacy of this approach more than the Covid 19 pandemic which highlighted every inequality fracture in our society and worsened the already massive divide between those who have and those who do not. Rising inflation, worsening climate change and housing markets designed for profit not the right of all for somewhere to call home continue to widen the divide.

We must prioritise well-being and leave growth as a measure of success and a driving force behind. We must measure people's access to quality housing, healthy food, emissions free transportation, clean water and air, health services, education, stable employment, and community, not just their income or assets. We must measure the quality of lives, not just the length - how connected we are, how easily we can access nature, each other, and a sense of belonging. We must also look at how these factors break down within our society, not just look at the average – compare remote areas to urban centres, compare gender outcomes, age outcomes, compare population groups and suburbs and regions and address inequalities directly wherever they are identified.

There are already many models for how we better measure what matters. They include pathways for the transition toward better well-being indicators becoming central to our social, political, and cultural success criteria. How we embed them in our values frameworks.

There is significant work within the Degrowth literature which highlights how the collective obsession with growth economics is driving the biodiversity, inequality, and climate crises. How the pursuit of growth in and of itself stopped being an indicator of life quality in the developed world many decades ago. I highly recommend the work of [Jason Hickel](#), which explains the foundational, structural global (and local) issues with

what we measure and pursue and the unsustainable environmental impact this has, as well as the oppression of and appropriation from those who have the least that it sanctions.

It demonstrates the need for structural change to remove the growth imperative from our pursuits if we are to halt biodiversity collapse, climate change and improve the lives of billions globally. We need to ‘degrow’ many sectors and aspects of our lives if we are to preserve the ecosystems we depend on for survival. We need to ‘make room’ for those who need to rise from poverty, for future generations to thrive and for the regeneration of degraded ecosystems. We do also need to grow many sectors, not arbitrarily but in pursuit of actual well-being indicators – renewable energy (with reduced energy demand outside of a growth mindset), social and affordable housing, local healthy food co-operatives, public transport, regenerative nature repair and circular and share economies meeting genuine human needs.

The journey we take, measuring its success, can also be understood through the work of Kate Raworth and her [Doughnut Economics](#) model. It takes a much more holistic and genuine success approach than the current crude and inadequate rising GDP ‘success’ measure does. It asks us to consider our boundaries, something orthodox economics completely disregards at present.

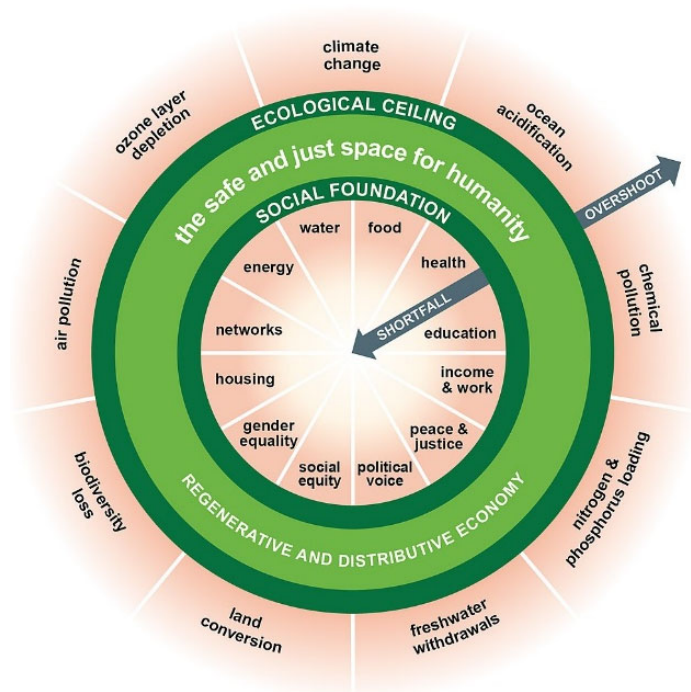
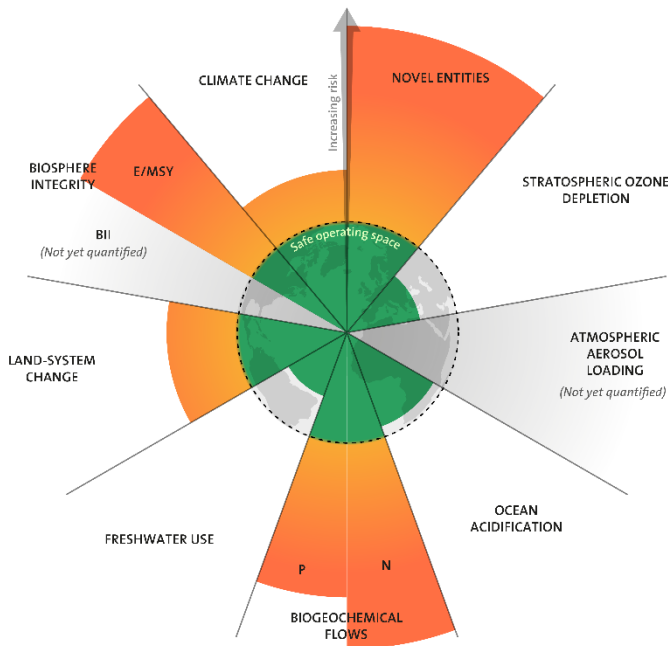


Fig 1. Doughnut Economics Model, Kate Raworth: *Doughnut economics: seven ways to think like a 21st century economist*

Of course, there are physical limits, we live on a finite planet with finite resources. Our failure to factor this in is leading to our collective downfall. The doughnut model is in part based on the planetary boundaries work of Johan Rockström and colleagues at the [Stockholm Resilience Centre](#).

The challenge we face is that, according to the science, we have transgressed 6 of the 9 identified planetary boundaries. We have already left the safe and stable operating space for humanity's survival. Therefore, we must degrow what we produce and consume to bring us back inside the safe operating space to survive, thrive even.



[Fig 2. Azote for Stockholm Resilience Centre, based on analysis in Persson et al 2022 and Steffen et al 2015](#)

Moreover, the inner ring of the doughnut represents the boundary for the social, economic, and political hole a caring and just society would not let anyone fall into. Billions of people globally, and many in Australia, do fall well below the threshold of having what they need for a safe and decent life. Those of us with too much, using too much, causing too much harm keep them in this hole through our excess and the environmental impact of that excess will be most and worst visited on those who already have and use the least.

The alternate model offered by the doughnut is one of a steady state economy where we live in balance with the ecosystems we depend on for survival and with each other. Where a good life, not lived at the expense of the ecosystems we are part of, is measurable and available for all including non-humans.

We must move towards a model that measures our progress against directly reducing harms and directly improving lives. If we are to avoid catastrophic climate change, biodiversity collapse, rising inequality and a society that stops functioning in the face of this then this project needs to start immediately.