




Assessing the Impact of Economic Reform

OECD World Forum on **Statistics,
Knowledge and Policy**

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“We have to move towards measuring
welfare not just output. ”

Angel Gurría, OECD Secretary General - OECD Ministerial
Meeting May 2007

Introduction

- Economic reform is not an end in itself – there is more to life than GDP
- But how do we assess reform? How do we decide whether it is leading to progress?
- Progress for whom? In which ways are societies progressing? Where is there cause for concern, and where is there reason for optimism?
- Indeed, what does progress (or ‘reform’) mean in the 21st century?

Some “megatrends”

- Around the world, societies are increasingly concerned with their quality of life and a consensus is growing around the need to develop a more comprehensive view of progress rather than focussing on the economic one (GDP).
- Mistrust in national governments (and therefore in national statistical offices).
- Growing number of “agents” in the society (NGOs, etc.).
- Individuals are asked to take decisions that in the past were taken by the government (pensions, school, etc.).
- In an age of unprecedented, and overwhelming, information flows, the common understanding necessary for informed public discourse is often inadequate.

The OECD

- The OECD brings together the governments of 30 member countries committed to democracy and the market economy to:
 - - Support sustainable economic growth
 - Boost employment
 - Raise living standards
 - Maintain financial stability
 - Assist other countries' economic development
 - Contribute to growth in world trade
- Long history in developing statistical standards, best practices, common definitions
- Collecting and compiling comparable data across the OECD and some non-member countries

The Istanbul World Forum

- 1200 people from 130 countries
- Presidents, ministers, leading academics and civil societarians, private sector and media
- *What is Progress?*
- *What information do we need to assess progress in key global concerns?*
- From outputs to outcomes - *how can we get measures used by a broad audience?*

The Istanbul Declaration

- A **culture of evidence-based decision making** has to be promoted at all levels of government, to increase the welfare of societies.
- We affirm **our commitment to measuring and fostering the progress of societies** in all their dimensions and to supporting initiatives at the country level.
- We **urge statistical offices, public and private organisations, and academic experts** to work alongside representatives of their communities to produce high-quality, facts-based information that can be used by all of society to form a shared view of societal well-being and its evolution over time.

The Global Project on Measuring the Progress of Societies

- **Working with the UN, the World Bank, the EU and others** to take this work forward
- **We will**
 - **Advocate** for more initiatives that measure progress
 - **Assist** those wanting to measure progress – through developing best practice and providing support
 - **Achieve** results – through improving the effectiveness and use of sets of progress measures
- We want **every society** to develop **its own set** of progress measures and **use them – through National Roundtables for Progress**

National Roundtables for Progress

- **Will be run in different ways ...** but should bring together a cross section of society
 - **Statisticians**
 - **Policy Makers**
 - **Academics**
 - **Civil Society**
 - **The Private Sector**
- **Discuss what progress means** for their society, and how to measure it
- **Disseminate that information** to foster democratic debate about the impact of economic reform
- Work in APEC – Australia, USA, Bhutan

Global Project - Key deliverables

- Statistical research
- ICT tools to transform statistics into knowledge
- Advocacy and institutional building
- Global infrastructures to measure and foster world progress: WIKIPROGRESS

Global Project - Key deliverables

- Regional working groups
- OECD, South & East Asia, Africa, Latin America, the Arab Region, Central Europe and Western Asia, the Pacific
- Regional Pre-conferences
- 2009 World Forum in Korea



Global Leadership

- Consider moving over the long term to promoting a common framework for measuring the World's Progress
- Considering developing a set of criteria to judge whether measuring progress initiatives would be ratified by the OECD project

The Global Project

- “Measuring the Progress of Societies is one of the most important roles the OECD can take on”
 - Angel Gurría, OECD Secretary General, June 2007
- "World GDP growth has been faster than it has been for a very long time. But people are not particularly happy".
 - Kemal Derviş, Head of UNDP, June 2007
- Progress indicators are a way for people to hold their government's accountable
 - François Bourguignon, Chief Economist of the World Bank, June, 2007