

ISI 2019 - Session IARIW-IPS

Abstract paper 1:

**“Broadening the scope of GDP – a stocktaking on including ecological developments and other basic conceptual amendments”**

Gross Domestic Product (GDP) is the most prominent indicator of the System of National Accounts (SNA), which is widely used for policy and administrative purposes. GDP in real terms (i.e. price adjusted) is widely accepted as a measure for economic growth. At the same time GDP often is considered as an indicator for societal progress and well-being. However, as highlighted by the famous Stiglitz-Sen-Fitoussi-report of 2009, such an interpretation of GDP is biased and can be misleading, given that most social and environmental cost are not covered, or even worse, their repair adds to GDP. In the case of environment the key words in this context are depletion and degradation and as a practical example the repercussions of the global climate change could be mentioned. This paper therefore looks at the conceptual as well as empirical pros and cons of broadening the concept of GDP by including ecological developments. In a second part of the paper stock is taken with regard to certain basic conceptual amendments proposed by the SNA research agenda.