

**Sustainable Economics Intensive**  
**The Genuine Progress Institute**  
**July 6-16 2011**

**Syllabus Outline**

**Faculty: Dr. Ronald Colman, Dr. Tony Charles, Anne Monet, Linda Panozzo, and Gwen Colman**

**Assignments and Activities:**

Throughout the Sustainable Economics Intensive participants will engage with the material through verbal and written exercises individually and in small groups. Under the guidance of a faculty member, each participant will work on calculating the value or cost of a human, social, or natural resource/activity. This project will involve independent research on the part of the participant and a written report on their findings to present at the end of the intensive.

Participants will learn the material presented below in lectures, discussions, relevant documentary film screenings, and other activities. Each participant will be given a resource packet (with the GPI Resource Manual, important articles, and other relevant materials). This resource packet will provide participants with reading material for the intensive and also equip them with resources they will need for future full cost accounting and indicator research.

**DAY 1: Why**

**What's wrong with the Gross Domestic Product (GDP) and why new measures like the Genuine Progress Index (GPI) are needed.** In this section participants will engage with examples and exercises in order to establish an understanding of current economic measures.

**DAY 2: What**

**What is the alternative to current measures?** What do expanded capital accounts look like? **Explaining the Principles of Full-Cost Accounting** and the language of GPI Accounting, i.e. the difference between indicators and accounts. This section will give participants a strong foundation in the concepts and terminology of alternative measures of progress.

**DAY 3: How**

**Overview of methods of measuring.** GPI's expanded capital **accounting in natural, social, human and economic spheres.** In this section participants will learn the differences between GDP based and full cost accounting based economic measures.

**GPI Economic and Financial Security Accounting:**

- a. GDP **input**-based economic measures vs. GPI **outcome**-based economic measures
- b. GDP Gross vs. GPI Net economic measures
- c. GDP total income vs. GPI income distribution measures

#### **4 key dimensions of GPI Economic Accounts:**

1. economic security
2. financial security
3. income distribution
4. employment

#### **DAY 4: Human Capital: Population Health**

**GPI Atlantic has produced more reports on population health than on any single subject.**

That's both because **health is one of the major outcomes of all other measures** highly correlated with living standards, literacy, safety, environmental quality, and strong social networks and because health care costs have spiraled out of control nationwide.

#### **In this section, participants will learn**

- a. how to use epidemiological evidence as the basis for costing studies.
- b. the various components of "direct" and "indirect" costs
- c. how to use Canada's Economic Burden of Illness (EBIC) database
- d. how to deal with uncertainties in the evidence.
- e. the practical perspective of policy application
- f. how to assess the cost-effectiveness of particular interventions

#### **DAY 5: Human Capital: Education**

**The GPI education work has been the most challenging component of the Nova Scotia Index.**

The morning section:

Discussion and debate on GPI's measures of education - What makes educational attainment genuinely beneficial? How does education link the other twenty indicators together?

The afternoon section:

#### **Accounting for Social Capital**

Three sample social capital studies:

- a. Economic Value of Voluntary Work
- b. Costs of Crime
- c. Social Capital in Agriculture

In reference to these examples, participants will learn about different methodologies and how those methodologies can be applied in "sensitivity analysis". **By the end of day five, participants will know how to practically apply one methodology and calculate the value of human capital (i.e. voluntary work) in their community, organization or school.**

#### **DAYS 6: Special Panel**

(1:30-4pm, open to interested community organizations, the press, and members of the public)

This will be a panel and discussion with leaders of community organizations, people working for government, and academics, all currently using GPI research in their work. They will share success

stories of how GPI has changed policy in the province, the country and around the world

#### DAYS 7-8: **Valuing Nature - Accounting natural capital and ecosystem services**

Since natural capital valuations are the most complex dimension of GPI Accounting and the most essential cornerstone of human wellbeing participants shall spend the next two days looking at how we account for the value of nature's assets and services. Throughout, faculty will reference specific GPI reports, including:

- a. The GPI Forest Accounts
- b. The GPI Fisheries and Marine Environment Accounts (discussion to be led by Dr. Tony Charles of St Mary's University)
- c. The GPI Soils and Agriculture Accounts
- d. The GPI Greenhouse Gas Accounts
- e. And more!

**Conventional GDP-based accounts give no value to nature. In sharp contrast, the GPI attempts to value our precious natural resources properly**, along with the costs of their depreciation, just as we presently do with the manufactured and financial resources that are presently counted. In an era when the degradation and destruction of nature threatens human life on earth, the United Nations, the OECD, the Stiglitz Commission, and many others have all recommended such action, but no country has yet done it. All of them still rely on out-dated GDP measures to assess progress.

First participants will review **five basic steps** that are essential in accounting for nature's assets and services. Next faculty will very briefly summarize **eight different methods of natural capital valuation**. Participants then review **four basic levels of natural capital and ecosystem service analysis**, starting with the simplest and proceeding up the ladder to more and more sophisticated analysis. As a group, we'll then identify a few key natural capital assets and ecosystem services of particular importance to Nova Scotia and we'll practice **five key steps** that are essential to any natural capital valuation work.

#### DAYS 9-10: **Practical Application of full cost accounting/the GPI**

In this section participants will learn how these measures are currently used and how they can be applied in other contexts. There will be a panel and discussion with leaders of community organizations, people working for federal and provincial governments, and academics, all currently using GPI research in their work. Participants will be taken on a field trip to see best practices - the GPI in action in businesses and organizations across the province. Lastly, students and community leaders that have participated in the Sustainable Economics Intensive will share their vision of using true measures, full cost accounting and indicators, in their communities and work.