

PART II

General Approaches

Arthur Lyon Dahl

The multiple dimensions of sustainability do not lend themselves to a single approach or type of analysis. The SCOPE project therefore assembled a diverse group of experts from many fields and perspectives and asked them to provide inputs to the assessment process. These background papers have been reworked to enrich the debate on sustainability assessment. The general approaches described in this part raise very broad issues.

In Chapter 5 Jesinghaus is intentionally controversial, showing how profound an impact indicators can have on our thinking and decision making, often today in an undesired and inappropriate way. He highlights the power of gross domestic product (GDP) as an indicator and its distorting effects. He then describes the Dashboard of Sustainability, a useful tool he has devised for the simple graphic presentation of complex indicator sets, demonstrating the messages that can be communicated. Following on the failure of the sustainable development indicator set of the Commission on Sustainable Development to achieve wide implementation, he holds out some hope that the indicators for the Millennium Development Goals may do better. However, there is a major gap in indicators for governance. He challenges us to keep trying for the acceptance of an effective measure of sustainable development.

Chapter 6 gives an economist's view on assessment of sustainability. Zyllicz argues that sustainable development can be addressed in modern economic theory, at least by indicating whether the economy is developing in a sustainable way. Accepting the difficulty that comes from the GDP assumption that welfare is confined to the consumption of marketed goods and services, he shows that the broader economic concept of utility can capture all dimensions of sustainability, including any of several welfare functions. The great strength of GDP, and the challenge for any alternative measure, is its independence from arbitrary valuations. Among the economic approaches that have been tried are a green GDP and natural capital accounts. He proposes a green net domestic product as a better measure that avoids arbitrariness, although there is still the

problem of determining alternative valuations of nonmarket goods and services. The economic approach also does not address the different social philosophies of income distribution.

For an alternative political science approach, Spangenberg focuses in Chapter 7 on the importance of the institutional dimension of sustainability. This is often marginalized in the North, where institutional frameworks are already strong, but it is recognized in development discourse. However, most efforts address the sustainable development of institutions, not institutions for sustainable development able to integrate all dimensions of sustainability. The chapter provides clear definitions of institutional sustainability at the macro level to assist in defining indicators, especially the boundary between social and institutional dimensions. It then proposes a methodology for developing a coherent set of institutional indicators.

These three chapters provide complementary reflections on the failings of present economic indicators and the challenges of the institutional or governance dimension to achieving sustainability.