## **Kluwer Mediation Blog**

## What's it all about?

Charlie Woods (Core Solutions Group) · Saturday, February 8th, 2025

In his book 'Growth – A Reckoning', Daniel Susskind eloquently sets out what he terms the 'Growth Dilemma' – how to balance the promise of economic growth against its price. The promise comes through the increased productivity inherent in economic growth, which has led to significant improvements in living standards and life expectancy across the developed world over the last two centuries. The price can be measured in terms of environmental degradation, widening inequality, the hollowing out of communities etc.

Susskind charts the history of the development of Gross Domestic Product (GDP) to measure economic growth and it's evolution into the primary political objective and yardstick against which much is judged in many parts of the globe. One of its real attractions is that it boils down a lot of complex information into one, regularly issued, apparently up to date measure, although few really understand what is involved in its calculation and it is frequently revised as new information becomes available.

It can be argued that the simplicity and regularity of the GDP measure has led to too much attention being focussed on the promise of growth compared to its price. In addition, as many have pointed out, there is a real danger in trying capture too much in one measure and that GDP has many shortcomings both technical and conceptual. For example, it may underplay improvements in the quality of output, it doesn't include non-traded goods like housework and captures damaging activities, such a pollution, which can increase output.

Many attempts have been made to try and refine GDP measurement to overcome these problems, but the risk in doing this is that they overcomplicate it. It's also impossible to boil down everything that's important into one meaningful measure. Susskind favours a more comprehensive dashboard of indicators to try and capture broader societal wellbeing (Scotland's National Performance Framework is an example of one such approach). Such a dashboard could include a measure of GDP, but it would be only one component.

Such a dashboard can help stimulate discussions over how to resolve the growth dilemma by making some of the trade-offs more transparent. It could also highlight where there might be synergies e.g. the impact of improved environment on health and the impact of improved health on productivity etc. This should help public policy to be more 'joined up'.

To guide the moral and political judgments involved in addressing the trade-offs between the promise and price of growth Susskind argues for the need for more 'mini-publics' like citizens assemblies. These will give citizens greater agency in political processes and to use the latent

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political energy pent up in society for constructive rather than destructive purposes. There are already examples of where such an approach has helped decision making on very contentious issues such as abortion and gay marriage.

The use of mini-publics allows citizens to be informed by experts, share their hopes, fears and concerns, build understanding of different perspectives and consider options. They also provide a forum for much greater participation in political deliberation, which allows for more nuance than more binary processes such as referenda.

Such processes also allow more time for reflection, something that seems all too absent in much of politics today. As David Runciman puts it in the conclusion to a chapter on John Rawls in his book 'The History of Ideas': "*If so-called real politics doesn't give us the time to reflect, then what is it but shadow boxing, a charade? It is barely real at all.*"

At a time when attitudes in so many places become ever more polarised trying to encourage a more constructive, participative and reflective approach might seem like a big ask. Nevertheless if we are to make any progress it will require something like this. Our current approach to politics, where the relationship between politicians and citizens is akin to vendors hawking their wares to relatively passive consumers, doesn't seem up to the task.

A more participative democracy will certainly take some brave leadership and skilled facilitation. The leadership may well come in part from a bottom up groundswell demanding a fresh, creative approach to resolve the dilemmas we face. If this does happen those, such as mediators, who have the facilitation skills needed, may well find themselves in greater demand.



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