



Sustainable and Just Wellbeing Economies for People and Planet

Preamble

In the pursuit of constant economic growth and development, we have come to neglect the wellbeing of not just the people, but of nature, of our planet and all life and non-life within it. As humanity and nature alike face unprecedented crises, we need to change our priorities, so that we build an economy that works for all: an economy that emphasises human and ecological wellbeing in measure and pursuit, equalises the Global South through a decolonial economic order, and recognizes care as one of its central pillars.

The Problem

1. GDP is not an indicator of wellbeing

For several decades, growth of Gross Domestic Product (GDP) and an increase in prosperity have been understood synonymously. GDP is not designed to measure social and ecological wellbeing, yet it is the most commonly used indicator of a country's overall prosperity. The currently dominant view in economics still defines development as an indiscriminate growth of GDP and considers the environment and society as a mere 'externality' of the system, ignoring development's failure to internalise the tremendous social and ecological costs.

Simon Kuznets, the founder of the GDP indicator in 1934, warned against its use as a measure of welfare. GDP interprets every expense as positive, and fails to distinguish welfare-enhancing from welfare-reducing activities. It also overlooks many components that enhance welfare but do not involve monetary transactions and therefore fall outside the market.

As Greens, we reject this evident fallacy of increase of GDP with that of wellbeing, and instead propose alternative economic indicators that prioritise human and ecological wellbeing. Alternative indicators such as the Human Development Index by the UNDP, the Happy Planet Index, the Genuine Progress Indicator, the Better Life Index by the OECD, the SAGE index, or the Gross National Happiness are all more accurate indicators of economic performance which account for social and environmental factors as well.

2. The current global economic paradigm is fundamentally colonial.

The systems of colonialism and imperialism imposed by the West on the Global South established a system of ecological unequal exchange through the exploitation of resources and labour. These systems created the conditions for the expansion of neoliberal capitalist globalisation, which in turn reproduced said colonial and imperial asymmetries. The socio-political and economic hegemony of the Global North over the Global South enables continued unbalanced exploitation of resources, unequal resource flows and international division of labour, and perverse power relations - exacerbating social, ecological, economic, and political inequalities and entrenching them structurally.



An economy that works for all cannot be based on these extractive and exploitative relationships, which especially disproportionately affect communities of colour and indigenous peoples - those best-equipped to protect the environment we rely on. Furthermore, continued exploitation of the environment at our present rate will have severe consequences for the global ecosystem, social justice, and economic development. We need to rethink the current international economic order and systems of development aid towards one that pursues ecological and decolonial justice, reverses such unequal exchange, and equalises the Global South in the international order.

3. Our current welfare system is failing caregivers

The economy focusing solely on indicators such as GDP fail to recognise the value of care work as well as domestic care and labour. This work is disproportionately carried out by women. Another group impacted by failure to recognise the value of care work are migrants who are also impacted by unbalanced economic relations between Global North and South. The failure to recognise and fairly compensate for these forms of work leads to a failure to recognise the central role of care work in our societies. This often leads to continued economic disadvantage throughout work life to retirement and renders the caretakers vulnerable with lesser possibility to enforce their labour rights. Our social support systems and labour cannot continue failing at providing financial security and legal standing for all if we wish to eradicate poverty from our world.

The Solution

1. Prioritising social and ecological wellbeing in measure and pursuit.

We the European Green Party and green parties of Europe commit to:

- **Advocate for the adoption of alternative indicators to GDP, prioritising human and ecological wellbeing.**

Our economies must transform from exclusively growth-focused to include regeneration and distribution by design. Various alternative indicators that include socioecological measures exist, as provided above, and provide for more accurate measures of human-nature wellbeing. Shifting the manner of measuring prosperity to one that centralises wellbeing ensures better decisions will be made to truly enhance prosperity in the EU and worldwide.

- **Prioritise socioecological policies that focus on wellbeing and sustainability.**

These can include a shorter workweek, flexibility in working hours aimed at improving work-life balance while protecting workers' rights and wellbeing, stronger labour protection, (access to) universal basic services, expansion of renewable energy, and continuous efforts for a truly sustainable agriculture.

- **Strive to engage in dialogue with citizens, civil society organisations, movements and local governments in the drafting and implementation of socioecological policy and strategies.**

Economic policies inherently have a social and environmental dimension, and thus these dimensions must be engaged with when considering such policy. We need to



remember our grassroots values and work towards prioritising participation, cooperation and equity in society and politics.

2. Re-designing the international system.

Given the imposition of not just financial but socioecological indebtedness by the Global North towards the Global South, we the European Green Party and green parties of Europe commit to:

- **Reform the system of development aid towards one of sustainable and feminist development cooperation and international solidarity with the Global South and its peoples.**

We strive for a system of collective human-nature wellbeing and addressing root causes of ecological unequal exchange. Such a system would prioritise marginalised communities and civil society, striving for community-led participatory, reflexive development. It would go beyond financial aid, that often reinforces existing postcolonial dependencies, and include capacity, technology, and patent sharing as well as cooperation in true partnership. Such development processes should especially platform the interests of women, as well as indigenous, marginalized and local communities relying in particular on decentralised cooperation.

- **Pursue fair, just, equitable, and ecological trade with the Global South based on equal terms of trade and the protection and empowerment of local communities.**

We strongly reiterate and emphasise the '[Green Transformation of EU Trade Policy](#)' policy paper adopted at the 6th Congress in Copenhagen in December 2022. Trade policy must thus guarantee oversight of supply chains and holds corporations accountable for abuses within it and for its environmental and social impacts throughout it through corporate sustainability due diligence; include participatory mechanisms for civil society and specifically platform the interests of, support the capacity development of, empower and protect the rights of indigenous and local communities and their environments; emphasise circularity and trade subsidiarity to protect local communities and their environments from overexploitation; and overall combats exploitative practices in resource and labour flows.

- **Reverse the flow of wealth from and indebtedness of the Global South towards the Global North.**

The global financial system has historically indebted the Global South through unfair lending terms and exploitative market-oriented conditionality mechanisms. Radical transformation of the global financial system towards a system of equity based on the needs and adjusted to the capabilities of the Global South is necessary. This includes debt cancellations, fair lending terms that prioritise human-nature wellbeing over economic development and neoliberalisation conditionalities, and reparations for environmental damage.

3. A new care economy.

We the European Green Party and green parties of Europe commit to:

- **Work towards and lobby for a welfare system that supports caregivers and rewards care**



workers.

A welfare system that centres care would prioritise the wellbeing of caregivers and care recipients, as well as recognise the value of care work in building a healthy, sustainable society. We reiterate the '[The Care of Older Persons](#)' resolution adopted at the 35th Council in Riga in June 2022 and call to extend this to all forms of caregivers. The goal should be to make an economy in which gender equity and fair remuneration of care work are central, prioritising care work and rewarding care and social workers fairly is an essential step to do so. This includes policies for caregivers such as a European care strategy, social and labour protections, equal pay and fair wages, professional and emotional support, and accessible education and training; and policies for care recipients such as universal childcare, accessible and quality professional care, and overall socialisation of care.

Background reference

[1] Parrique T., Barth J., Briens F., C. Kerschner, Kraus-Polk A., Kuokkanen A., Spangenberg J.H. (2019). *Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability*. European Environmental Bureau. <https://eeb.org/library/decoupling-debunked/>.