

We The People
Program 259 July 24, 2017
We the People 259 How to Make Australia Great Again



Good Day to you. A recent article by Martin, Ward and Sutton made some excellent points about what real progress and sustainable growth is and why Australia was a more successful country in the seventies. In essence neither of Australia's two main political parties believes population is an issue worth discussion and neither has a policy about it. The Greens think population is an issue but can't come at actually suggesting a target. Even those who acknowledge that numbers are relevant are often quick to say that it's our consumption patterns, and not our population size, that really matter when we talk about environmental impact. Common sense, not to mention the laws of physics, says that size and scale matter, especially on a finite planet. In the meantime this country has a default population policy, which is one of rapid growth. This is in response to the demands of what is effectively a coalition of major corporate players and lobby groups. Put simply, migration is pushing Australia to a 'third-world style population growth rate' with a declining standard of living.

Only fools say 'all growth is good', especially for their bottom line. They include the banks and financial sector, real estate developers, the housing industry, major retailers, the media and other major players for whom an endless increase in customers is possible and profitable. But Australians stubbornly and sensibly continue to have small families. The endless growth promoters respond by demanding the government imports hundreds of thousands of new consumers annually, otherwise known as the migration intake. The promoters of growth have no real interest in the cumulative social or environmental downside effects of this growth nor the actual welfare of the immigrants. It fully expects to capture the profit of this growth program, while the disadvantages – such as traffic congestion, rising house prices and government revenue diverted for infrastructure catch-up – are all socialised. That is, the taxpayer pays as well as the environment.

The idea that population growth is essential to boost GDP, and that this is good for everyone, is ubiquitous and goes largely unchallenged and is fundamentally wrong. If one defines "economic growth" in the first place by saying that's what happens when you have more and more people consuming, then obviously more and more people produce growth. **The fact that GDP, our main measure of growth, might be an utterly inadequate and inappropriate yardstick** for our times remains a peculiar idea to most economists, both in business and government. **In reality genuine progress peaked 40 years ago.** One of the oldest and best-researched alternative measures is the **genuine progress indicator or GPI**. Based on the work of the US economist Herman Daly in the 1970s and 80s, GPI takes into account different measures of human well-being, grouped into economic, environmental and social categories. Examples on the negative side of the ledger include income inequality, CO2 emissions, water pollution, loss of biodiversity and the misery of car accidents. On the positive side, and also left out of GDP, are the value of household work, parenting, unpaid child and aged care, volunteer work, the quality of education, the value of consumer goods lasting longer, and so on. The overall GPI measure, expressed in dollars, takes 26 such factors into account. Since it is grounded in the real world and our real experience, GPI is a better indicator than GDP of how satisfactory we find our daily lives, of our level of contentment and of our general level of wellbeing.

As it happens, there is quite good data on GPI going back decades for some countries. While global GDP (and GDP per capita) continued to grow strongly after the second world war, and continues today, global GPI basically stalled in the seventies and has barely improved since. In Australia the actual stall point appears to be about 1974. **GPI is now lower than for any period since the early 1960s.** That is, our wellbeing – if we accept that GPI is a fair measure of the things that make life most worthwhile – has been going backwards for decades. The truth is that all the growth since 1970 has been in vain or at a loss to us and today we have a falling standard of living. Governments fail to properly measure the population carrying capacity of Australia and in particular the Gold Coast. Our sensible future lies in stabilising this country's population or even reducing it to produce the best standard of living and an ecologically sustainable environment. Without this we cannot make Australia Great Again.

Until Next time this is Kent Bayley