


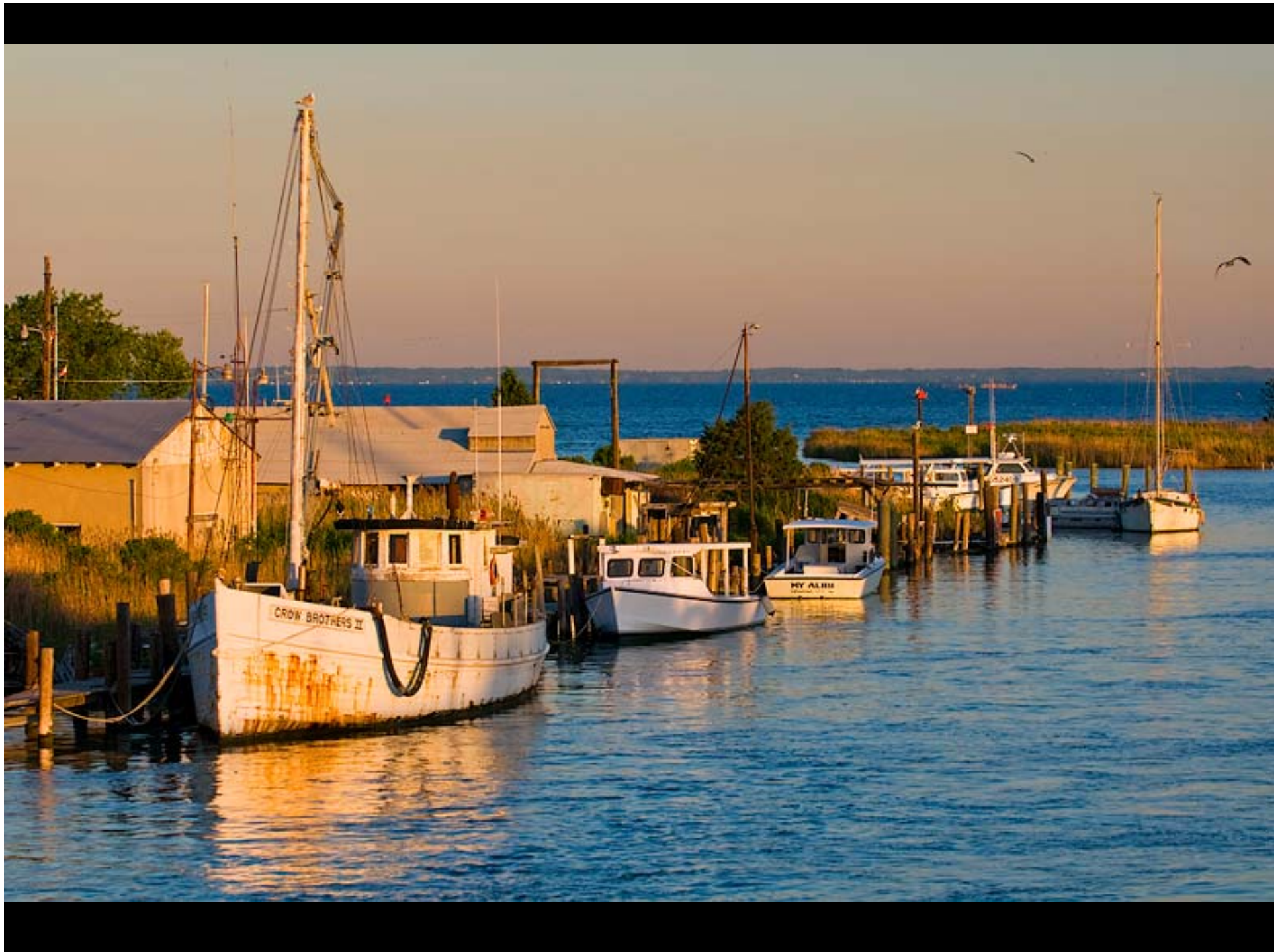
Materials Management through Sustainable Consumption Webinar Series

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A black rectangular sign with white text is mounted on a red brick wall. The sign is positioned in the center of the frame, with the brick wall visible above and below it. The ground in front of the wall is a grey, textured surface, possibly concrete or asphalt. The text on the sign is written in a white, serif font and is arranged in three lines. The first line reads "Money can't buy Happiness...", the second line reads "But it can buy Chocolate,", and the third line reads "which is kinda the same thing." The sign has a thin white border.

Money can't buy Happiness...
But it can buy Chocolate,
which is kinda the same thing.



It's All Greek: Ecology and Economy

“Eco” is based on Greek word *Oikos* for Home

Ecology

Study of the Home



Economy

Study of Managing the Home



Indicators of Progress? Well-Being?



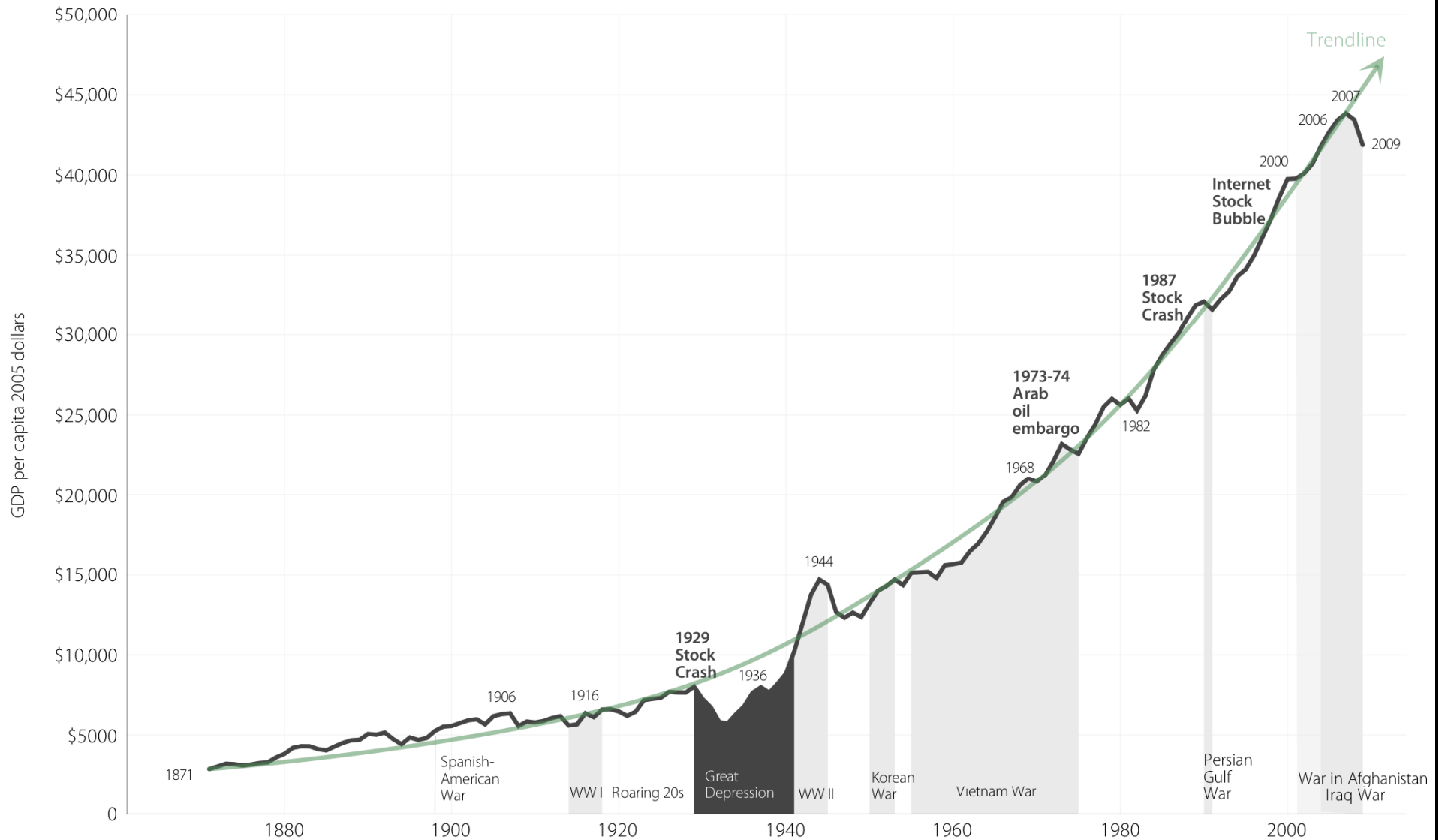
Current Definition of *Prosperity*? The GDP/GSP

- “total monetary value of all final goods and services produced domestically”
- Does **NOT** include externalities
- Does **NOT** include social contributions
- Does **NOT** address social equity
- Encourages defensive spending
- ‘Enjoys’ disasters



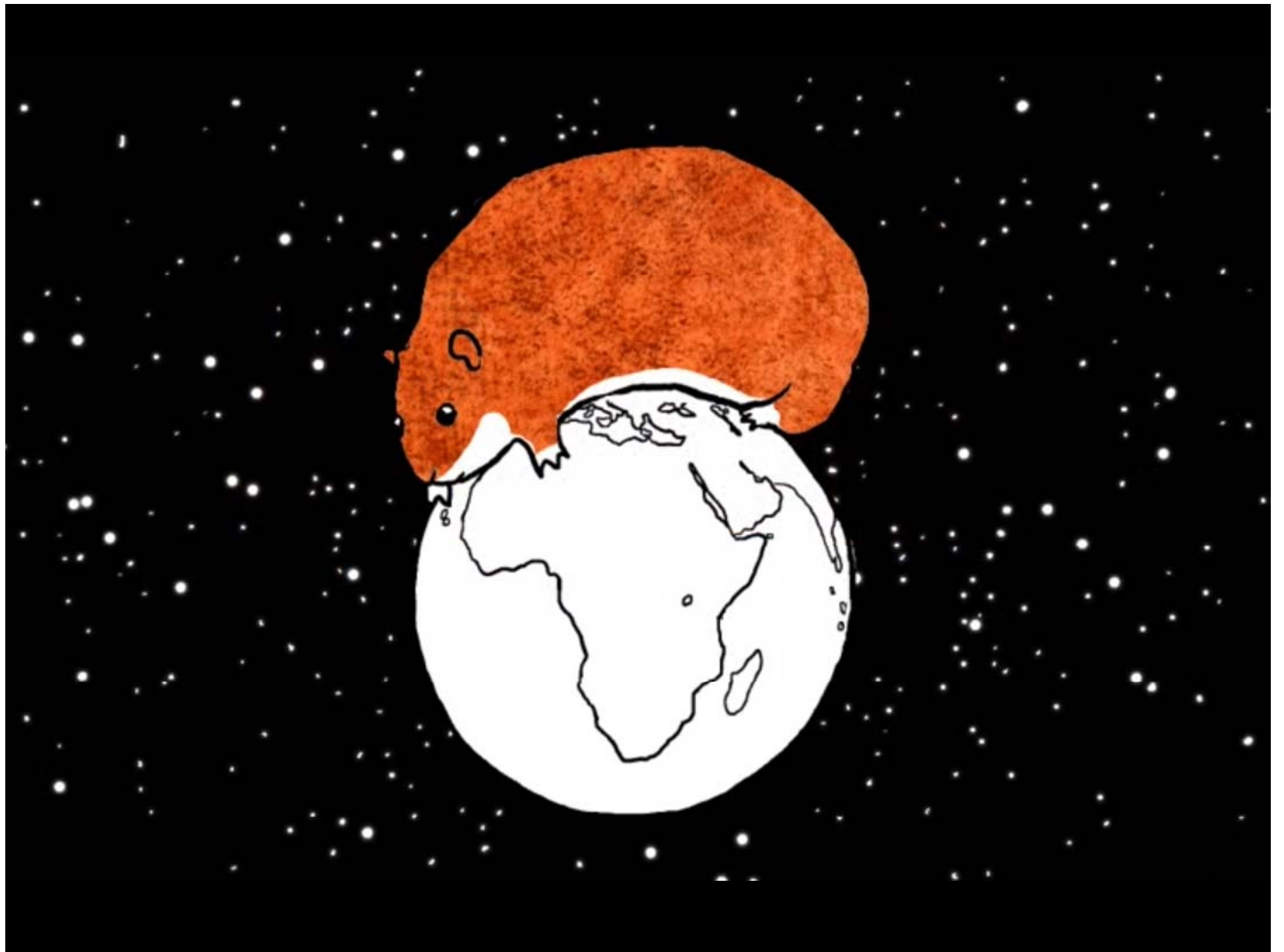
Long-term real growth in US GDP per capita 1871–2009

GDP per capita adjusted for inflation using 2005 dollars



Data from MeasuringWorth.com

VisualizingEconomics.com





"GDP...measures everything except that which makes life worthwhile."

- Robert F. Kennedy
March 18, 1968

Scale of Indicators of Prosperity

Gross Domestic Product (GDP)

Global

Genuine Progress Indicator (GPI)

Talberth (2000s)
Maryland (2010-now)

Happy Planet Index (HPI)

New Economics Foundation (UK)

Gross National Happiness (GNH)

Bhutan
GNH-USA

Economic

Well-Being

Happiness

Data/Objective

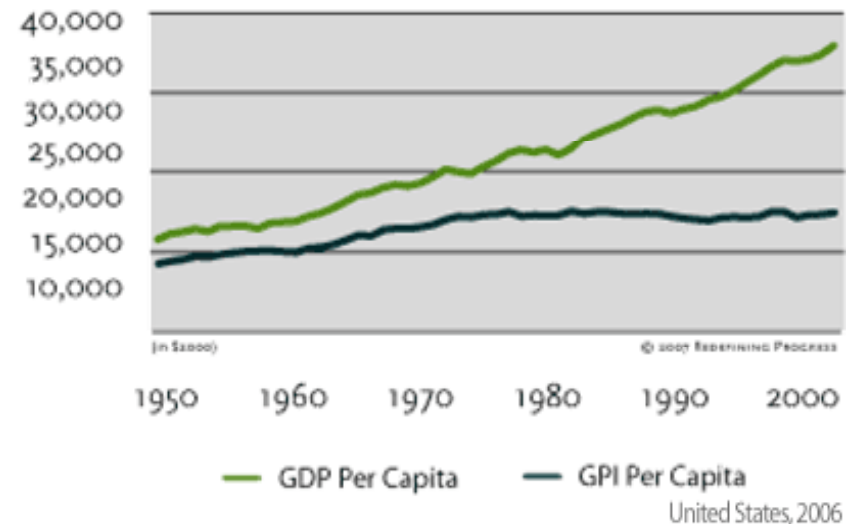
Polling/Subjective

Genuine Progress Indicator

Better Metric of Prosperity

- Quantifies & Values Impacts of Economic Activity on a National Scale; Based on Academic Studies
- Complements GDP by Including:
 - Income Inequality
 - Non-market social benefits
 - Negative environmental & social externalities
- Part of “Beyond GDP” Movement

GROSS PRODUCTION VS. GENUINE PROGRESS, 1950-2004



How We Created the MD-GPI

Untraditional Approach

- Governor Supported, but Not High Profile
- Created Working Group: Not Every Agency, but Right People
- Adopted Existing Framework; Easier Politically
- Interactive to Public, Useful for Policy/Budget Analysts



Search: "Maryland GPI"

Economic Indicators

Personal Consumption Expenditures 

Income Inequality 

Adjusted Personal Consumption 

Services of Consumer Durables 

Cost of Consumer Durables 

Cost of Underemployment 

Net Capital Investment 


Environmental Indicators

Cost of Water Pollution 

Cost of Air Pollution 

Cost of Noise Pollution 

Cost of Net Wetlands Change 

Cost of Net Farmland Change 

Cost of Net Forest Cover Change 

Cost of Climate Change 

Cost of Ozone Depletion 

Cost of Non-Renewable Energy Resource Depletion 

Social Indicators

Value of Housework 

Cost of Family Changes 

Cost of Crime 


Cost of Personal Pollution Abatement 

Value of Volunteer Work 

Cost of Lost Leisure Time 

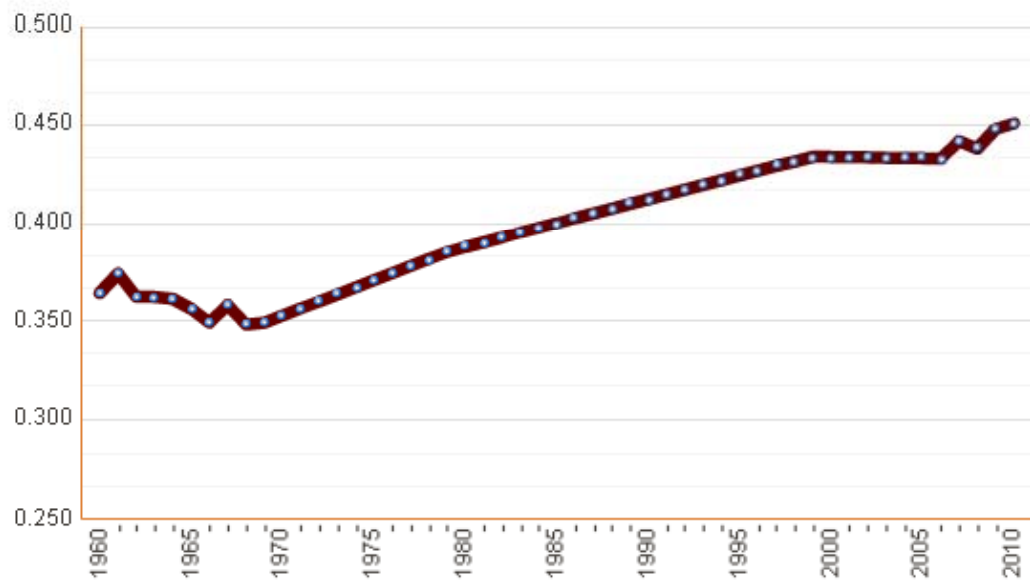
Value of Higher Education 

Services of Highways & Streets 

Cost of Commuting 

Cost of Motor Vehicle Crashes 

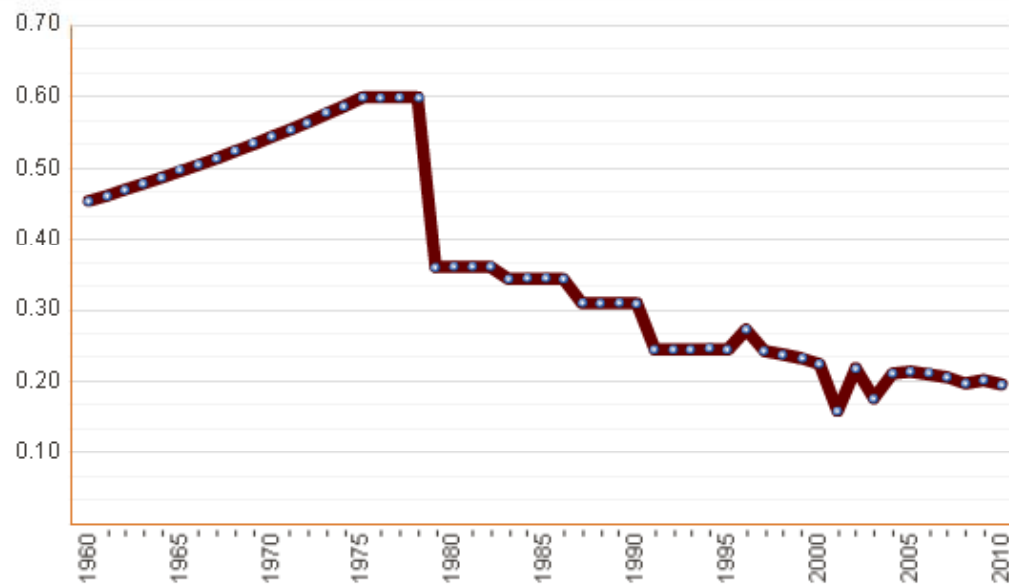
Income Inequality



Income Inequality



Cost of Water Pollution



Cost of Water Pollution (Billion 2000 \$)



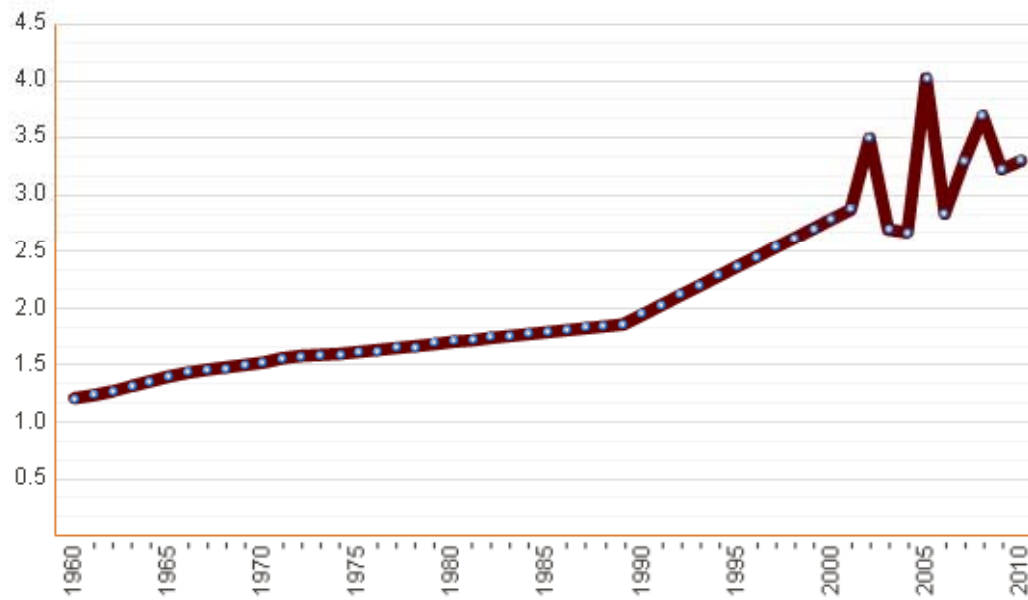
Cost of Crime



Cost of Crime (Billion 2000 \$)



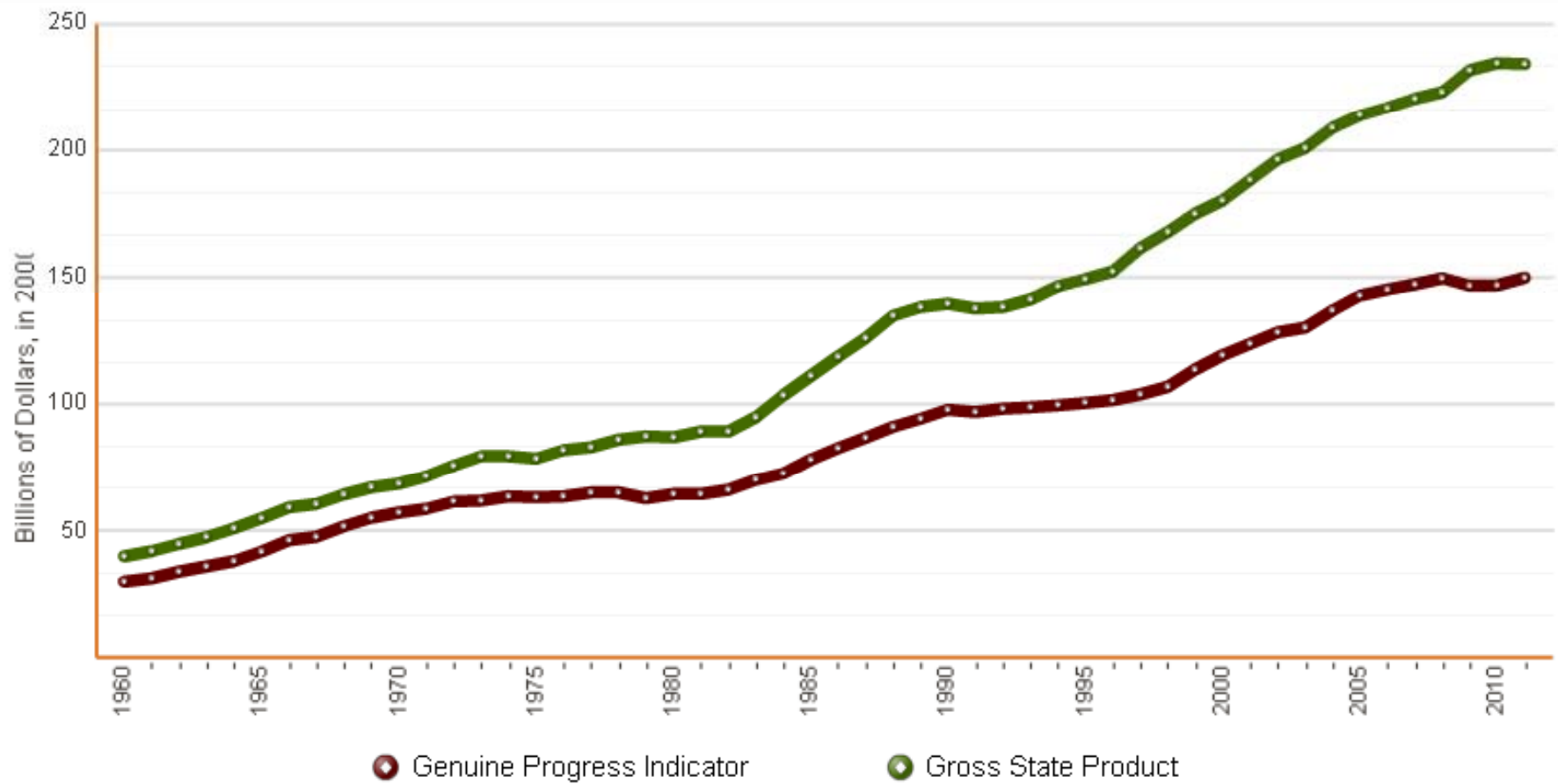
Value of Volunteer Work



Value of Volunteer Work (Billion 2000 \$)



Overview



Sub-National GPI Approach

Within State Governments

- Maryland, Vermont, & Oregon

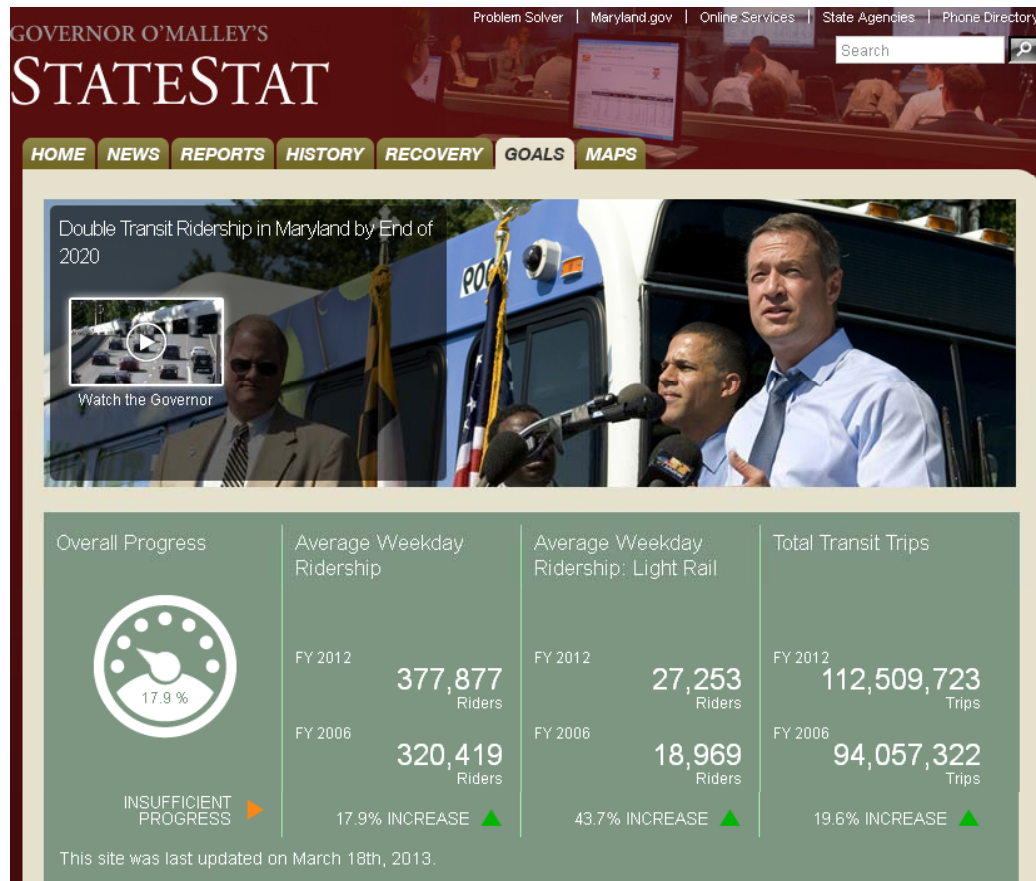
Academic/NGO Studies

- Ohio, Maryland, Utah, Hawaii, and more coming...

GPI Summits



Double Ridership on Mass Transit by 2020



Cost of Air Pollution

Cost of Climate Change

Cost of Lost Leisure Time

Cost of Commuting

Cost of Motor Vehicle Crashes

Project Funding Analysis

Added Values to Restoration Projects

Project	Partner (Location)	Watershed	State Need	Local Match	Total	N lbs/yr	P lbs/yr	TSS tons/yr	Value-Added Score	Price/Score Ratio (Lower is Better; "State Need")
Scenario 1: Similar Projects; Similar Ratios										
Project A	DNR, Dept. of the Navy, Anne Arundel County, CBF	Severn River	\$1,000,000	\$250,000	\$0	1,379	92	44	16	\$62,500.00
Project B	South River Federation (Anne Arundel Co.)	South River	\$875,000	\$310,000	\$1,185,000	1,060	199	58	16	\$54,687.50
Scenario 2: Similar Projects; Disparate Ratios										
Project C	Baltimore Co.	Back River	\$900,000	\$300,000	\$1,200,000	981	645	1,343	16	\$56,250.00
Project D	Baltimore Co.	Back River	\$100,000	\$100,000	\$200,000	719	473	985	15	\$6,666.67
Scenario 3: Different Projects; Similar Ratios										
Project E	Baltimore Co.	Scotts Level Branch	\$200,000	\$200,000	\$400,000	417	65	15	16	\$12,500.00
Project F	Baltimore Co.	Scotts Level Branch	\$187,500	\$62,500	\$250,000	214	135	23	17	\$11,029.41



Project Budget Analysis & Taxpayer ROI

Restoration Implementation Projects (\$2,620,000)							
PROJECT TITLES (7 Projects)	Value-Added Score	Price/Score Ratio	Economic Benefits	Environmental Benefits	Social Benefits	Cumulative Return on Investment	
Horizon Organic Dairy Farm	20	\$50,000	█	█	█	█	\$1.21
Broad Creek Stream Restoration	18	\$27,777	█	█	█	█	
Plum Creek Stream & Floodplain Restoration	22	\$18,181	█	█	█	█	
Brookview Ponds Restoration	17	\$5,882	█	█	█	█	
Queen Anne's County Non-Tidal Wetlands Restoration	17	\$5,882	█	█	█	█	
Conquest Beach Shoreline Restoration	19	\$23,684	█	█	█	█	
Falbot County Non-Tidal Wetland Restoration	17	\$4,117	█	█	█	█	
Maryland State Parks (\$1,103,454)							
PROJECT TITLES (3 Projects)	Value-Added Score	Price/Score Ratio	Economic Benefits	Environmental Benefits	Social Benefits	Cumulative Return on Investment	
Sandy Point State Park	21	\$23,270	█	█	█	█	\$3.85
Tuckahoe State Park	26	\$7,164	█	█	█	█	
Cunningham Falls State Park	24	\$17,853	█	█	█	█	
Land Purchasing & Easements Proposed Projects (\$5,113,000)							
PROJECT TITLES (7 Projects)	Value-Added Score	Price/Score Ratio	Economic Benefits	Environmental Benefits	Social Benefits	Cumulative Return on Investment	
Zekiah Fort Easement	21	\$37,381	█	█	█	█	\$1.19
Thurmont	18	\$83,333	█	█	█	█	
Hinegardner Property	17	\$5,000	█	█	█	█	
Walter Property	14	\$10,214	█	█	█	█	
Dyson Property	13	\$11,538	█	█	█	█	
Lake - Easement	22	\$29,546	█	█	█	█	
Campbell - Easement	30	\$60,000	█	█	█	█	

Legislative Analysis

“GPI Note”



Local Government Planning

Economic Development vs. Environmental Protection



Where We Are Headed

- Raise Awareness & Support
- Institutionalize Within Government
- Ratchet Upwards Within & Among State/Local Governments
- Bridge to Fully Utilize Alternate Measures of Well-Being



GPI & EPP

Same Approach; Issue of Scale





Smart, Green & Growing

Search

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- HOME
- OVERVIEW
- INDICATORS
- CALCULATOR
- MODEL
- BLOG

GENERAL INFORMATION

What is the Genuine Progress Indicator?

What Are The Gross Domestic/State Products?

What Are Other States Doing?

MD-GPI Background & Methodology

Other Indicators Of Social Well-Being



Maryland's Genuine Progress Indicator

An Index for Sustainable Prosperity



Wealth vs. Well-Being: How Do We Measure Prosperity?

Maryland developed its Genuine Progress Indicator to measure how development activities impact long-term prosperity, both positively and negatively. Here in Maryland and across the globe, people are continually challenged by the need to find a balance between advancing economic gain and ensuring social well-being.

Traditional indicators like the Gross Domestic/State Products address only economic transactions. They do not include the environmental and social costs of what we buy, the quality of life impacts of how we live, or fully appreciate the significant contributions of our natural systems.

We invite you to learn how we developed our GPI, find out how Maryland is doing in 26 different indicators, and explore a model to see how policy decisions made today may affect future generations.



Governor Martin O'Malley
Lt. Governor Anthony G. Brown



Current Blog Topic

The Case for New Measures of Growth & Prosperity

In managing the Maryland Genuine Progress Indicator (MD-GPI), I am often asked a very simple question: Why? Why are we trying to put a monetary figure on things we all care about – spending time with our family, enjoying clean air and drinking water, volunteering in our community – when most people would consider them 'priceless'?

[Read more](#)

MD-GPI News

- ▶ Governor O'Malley Hosts 2nd National GPI Summit
- ▶ Pictures of 2nd National GPI Summit
- ▶ Governor O'Malley Hosts First Ever GPI Summit
- ▶ Maryland GPI Grows More Than 2 Percent Last Year
- ▶ The Genuine Progress of Maryland (WYPR Maryland Morning)

[More News & Reports](#)

Contact Information

Sean McGuire
580 Taylor Ave
Tawes Building C-3
Annapolis, MD 21401
[410-260-8727](tel:410-260-8727)
smcguire@dnr.state.md.us