

## ***Common Good Product, now!***

### **Open letter to the G20 Heads of State**

*Dear Excellencies,*

*We, the undersigned call on you, the Heads of the G20 countries, to assume leadership for a transition to a truly sustainable economic system. One that is measured through the Common Good Product rather than the Gross Domestic Product.*

*An economic system can only become socially just and environmentally sustainable if it has built-in structures to prevent harm and to incentivize responsible behaviour. Now, after Covid has devastated our normality like a hurricane sweeping the coast and climate change is threatening our very existence, we must seize momentum to make that shift to a future-fit economy. Instead of treating symptoms, we must address the root cause of our global crisis: our current way of measuring economic success.*

*Gross Domestic Product (GDP) is not designed to support human and planetary thriving. It fails to inform decision-makers how sustainable our economies really are. This is because money is not the goal of the economy. It is the means to grow the common good. GDP growth is little more than an aggregation of market transactions measured in monetary terms, such as the production and sale of t-shirts or weapons, regardless of whether they contribute to – or harm – human wellbeing. The GDP aims at increasing growth, regardless of planetary boundaries and thus at the cost of future generations.*

*However, there are alternative metrics which would allow societies to become more sustainable. The Common Good Product shifts the focus of success measurement from the means (financial growth) to the goals (common good). The Common Good Product is such a new innovative measure that can be used by policymakers and societies to overcome the limitations of GDP. Instead of endless growth on a limited planet, it aims at increasing the wellbeing of people and nature. The Common Good Product helps politicians to enact legislation based on their actual contribution to the common good and to track progress in areas such as climate security, ecological regeneration, health, poverty alleviation or equality. With such a framework, it would be easier to incentivise economic activity that contributes to the common good whilst free riders would meet higher hurdles than today.*

*A democratic bottom-up process could define society's common values and objectives. Determined in a participatory and inclusive process, it can incorporate the core values of a society, thereby strengthening our democracies and the co-creation of our shared future. The Common Good Product can resolve two issues at the time: the lack of citizens' involvement in fundamental political decisions and a more assertive compass for our economy.*

*There is a growing global consensus that it is time for a fundamental change in our economies. It is time for a radical shift in our mindsets. Adopting and promoting the Common Good Product can be a powerful lever to make that shift.*

*Robert Kennedy said in 1968: "The Gross Domestic Product measures everything except that which is worthwhile." GDP is not – and cannot be – the only measure of national progress. Therefore, we call on you to rebalance our economy by enabling the development and roll-out of a Common Good Product, at national, regional and local levels.*

*Excellencies, the time to change our economic system is now. Your political leadership is urgently needed.*

*Sincerely,*

*International responsible business community*