

Gross Domestic Nonsense

ECONOMY | The bean counters who create the national income statistics know the price of everything and the value of nothing.

BY WAYNE MULLER

EVERY TUESDAY AND FRIDAY, MY MOTHER LEAVES HER HOUSE and drives to the elementary school in her Florida community. She spends her morning helping first- and second-graders—some of whom cannot even spell their names—learn to read.

In rural New Mexico, when winter comes, Max and his son David deliver firewood to their elderly neighbors. In northern California, my friend Dale donates his time to train volunteers to serve as compassionate helpers with people who are dying.

These people have one thing in common—besides their impulse to help out, that is. According to the standard economic measure of our national productivity, they are useless. The gross domestic product, or GDP, rises only when people produce, buy or sell goods and services. If no money changes hands, these volunteers officially contribute nothing of value.

Contrast this to the economic flurry that results when two troubled teenage boys in Littleton, Colo. blow up their school, murder a dozen of their fellow students and gun down a teacher for good measure. It makes for one very happy day as far as the GDP is concerned.

With every massacre, police and SWAT teams must work overtime; doctors, nurses and EMTs are summoned; television crews are flown in, housed and fed; news conferences held; bullet-shattered windows removed and replaced; coffins and burial plots hastily purchased; memorials held in settings festooned with store-bought candles, flowers and commemorative plaques. Violence is a spectacular tonic for the GDP.

If you ask an economist what the “gross” in GDP stands for, he will tell you something about measuring output without deducting for business depreciation. If you ask me, it stands for the grotesque way in which a materialistic so-

ciety measures its worth.

When we receive the report card of our economic health on the radio or television, what we will not be told—but what is insidiously embedded in the numbers—is that each tragedy contributed in some way to the well-being of our national economic strength.

Meanwhile, when parents stay home and care for their children, when people voluntarily tend to the sick, dying or homeless, when neighbors volunteer to visit the elderly, or teach children to sing or read, or spend the morning in prayer, or meditate, or walk in the woods—

these have no value. They diminish the gross domestic product by substituting unpaid labor and time for revenue-making activities.

What we desperately need is a broad, comprehensive indicator—a Common Wealth Index, if you will. Ideally, the figure would somehow manage to calculate the true value of our common work, and measure more thoroughly the depth and breadth of our national well-being.

Thoughtful economists have been proposing a variety of alterna-

tive indicators to broaden the scope of the gross domestic product to honor and reflect the value of parks, schools, volunteerism, air and water quality, literacy, civility, even solitude and sunsets.

If we can count pork bellies, can we count generosity, honesty and love? No, this is not an easy task, and I do not expect the accountants who work for the Department of Commerce to succeed at it. But perhaps, if we focus our collective wisdom, we will find a way to quantify our true wealth.

Until then, I do expect that the rest of us will take the national income statistics with a certain skepticism. It is a horrific perversity if the measure of our national wealth performs a celebratory leap every time our children and loved ones are shot down.



Disaster dollars: consider the impact on the GDP when two troubled teens murder a dozen of their fellow students.