

THE TRIPLE BOTTOM LINE



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A BURNING PLATFORM

Copenhagen, August 2017

Dear Reader,

This discussion paper is the first of several political discussion papers to come from the Alternative in the year ahead. Each discussion paper is based on a defined, social issue, but combined, they will form the outline of a far greener, more creative and meaningful Denmark. A Denmark where entrepreneurship and social commitment are not unfamiliar counterparts, but interdependent entities.

A Denmark in which each citizen - young and old - has the best possible conditions to develop the potential of his or her life at the highest, meaningful level. A Denmark in which the use of our head, heart and hands form the creative and social ingenuity our country deserves - and the world needs.

If we want a far greener, more creative and meaningful Denmark - which is what we, the Alternative, want - then we have to break away from the simplified logic of economic growth and the associated, one-dimensional view of human nature, which characterises the world today. Together, they form a direct threat to our continued development and coexistence as a civilisation, because they have created an economic and political world order that is characterised by extreme economic inequality and a disparity between the needs of man and nature. The way human psychology has evolved makes us, humankind, perceive ourselves as not only separate from nature, but also superior to nature.

This self-understanding has created a psychological, cultural and emotional mindset that legitimises the ongoing consumption and contamination of our environment on a scale far greater than Earth can endure, and that even makes us accept a continuous mass-extinction of the diversity of species on the planet. At the same time, the job market often ruthlessly exploits people, pushing more and more people into physical and mental imbalance.

These challenges call for immediate action - action not rooted in the force of habit. Therefore, the Alternative has decided to formulate an attractive, entrepreneurial and specific route to a common and sustainable future. Thus, the keynote on which this and future political discussion papers are written is both positive and optimistic. Individually, these papers provide suggestions for ways to take us out of the political, economic and social blind alley we as mankind and as society currently find ourselves in.

This first discussion paper challenges the pervasive economic growth logic, manifested by the fact that Denmark equates progress in society with growth in the gross domestic product (GDP). This is fact in spite of GDP exclusively being an economic target that does not include improvement in e.g. clean air, non-toxic drinking water, nature, joy, the sense of community, or hope for the future. Consequently, the first discussion paper is our proposal of a way to replace GDP with a more nuanced target that includes sustainable development on the economic, the green, and the social bottom line. At the same time, this alternative GDP will be a good reflection of the Alternative's economic thinking, view of human nature and values, and thereby form a view on society that should and hopefully will replace the current version of capitalism.

To create this paper the Alternative's parliamentary group and employees went through a long, internal examination process. Among other things, we explored questions like: Is it possible to develop a more nuanced GDP model that not only considers the economic bottom line but also the green and the social bottom lines? What will the labour market of the future look like? Will the concept of work have a different meaning in the future than is the case today? What does it mean to live meaningful lives? And how much loneliness and inequality can and should society accept?

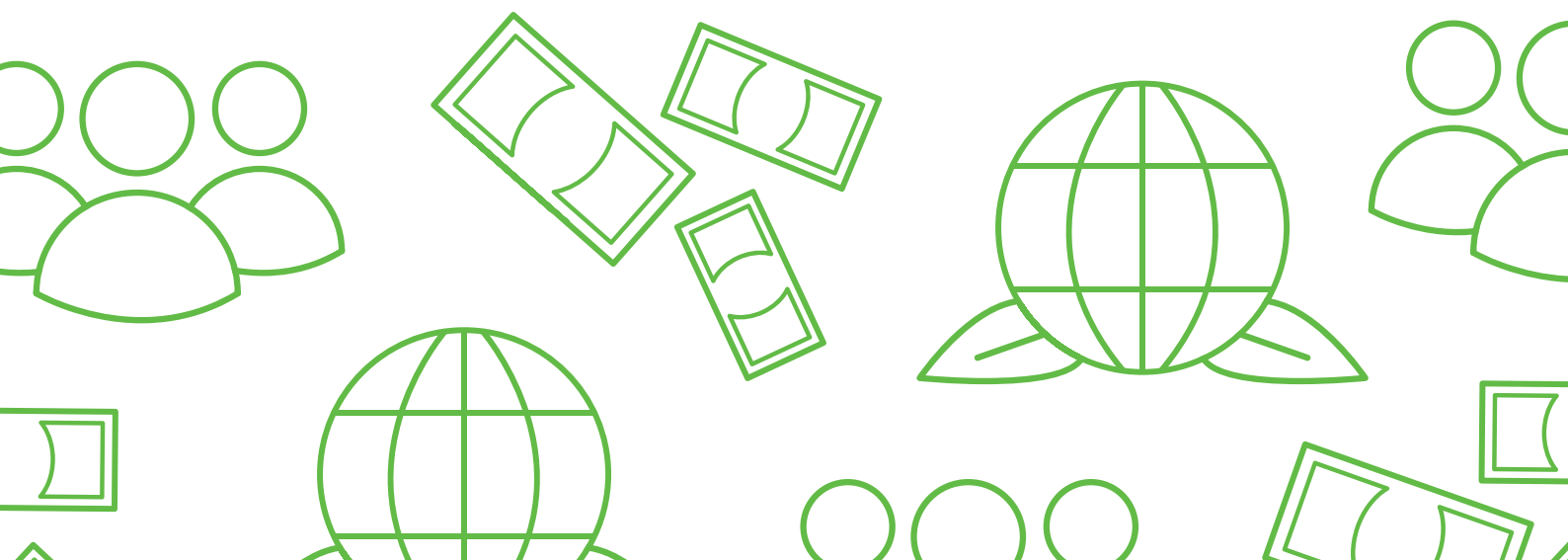
These and many other important questions were and are open for debate. In our search for answers, we involved knowledge and analysis groups in Denmark as well as abroad. The Alternative resonates with significant political and progressive environments in Scandinavia, Europe and North America. In country after country, we find people, organisations and think tanks that are concerned with the same societal issues as the Alternative. We are part of an international upheaval that can be witnessed in a number of the most progressive societies and urban areas. As such, it will be possible to form alliances in the future political development. Many have generously offered input for the generation 1.0 version of the alternative GDP and the view on society that will be presented on the following pages.

You should read this discussion paper as a work in progress. The thoughts, deliberations and models that we will present to you indicate how far we, the Alternative's parliamentary group and staff, have come in our own internal deliberations and preliminary conclusions - as of today.

We would now like to spread the debate. We look forward to hearing how you think the project can be sharpened and further developed. During the coming year, we will take initiatives to involve experts as well as citizens in the discussion. Our ambition is for the Alternative to contribute to growing the public discussion that is necessary in order for us to unite and kick-start the next, big, social wave of development in Denmark. Is that ambitious? - yes. Unrealistic? - maybe. But not impossible, because the Danish people have done it before. Just think about the co-operative movement, the folk high school movement and the labour movement. The societal breakthroughs of their times. If they could do it back then, we can do the same today.

Enjoy!

Warmest regards,
Uffe Elbæk



EXECUTIVE SUMMARY

The Alternative wants to break with the gross domestic product (GDP) as the dominant measure of societal development. Since World War II, GDP has been the cornerstone of politicians' and economists' governance of our country. People are forced to study faster, work longer hours and retire later, just to pump up GDP growth. Unemployment benefits, the educational system, the banking system and all kinds of societal systems are designed to lift the GDP, rather than lift the people who the systems should actually serve. The political reforms, the economists' models and the statistics are geared to boost GDP growth. In Danish politics, nothing is above and nothing is next to economic growth. And that's how it is in most countries.

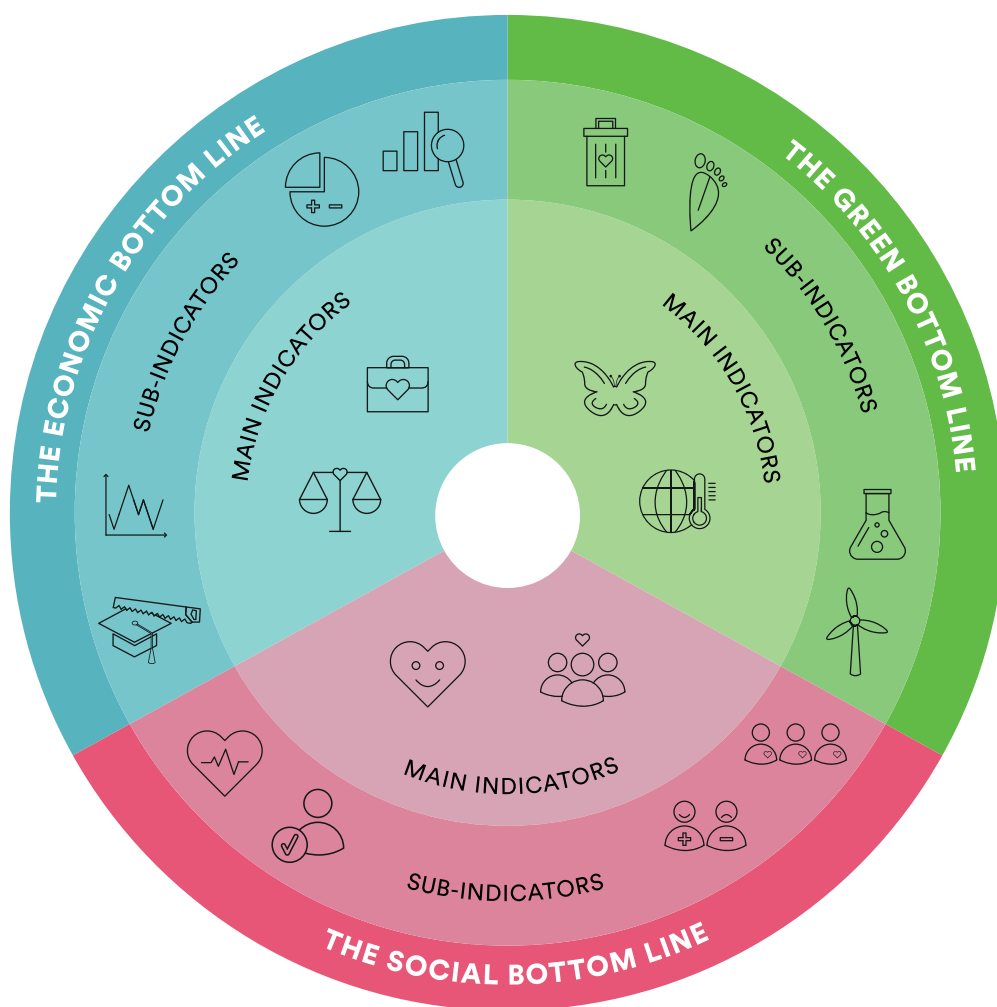
But now the counter-reaction is starting to show. From professional and progressive political environments all around the globe sprouts proposals on how we can replace GDP as the central measurement of progress. More and more people are starting to realise the same thing: the pursuit of GDP growth removes us from the society we want. We destroy nature at an alarming pace. Economic growth is followed by increasing inequality. What's more, research document that the rising wealth has not made us happier. GDP is no longer a sufficient response to society's challenges.

The Alternative proposes that Denmark introduces a new accounting system. Instead of the one-dimensional economic bottom line, the Alternative suggests a triple-bottom line: a green, a social and an economic bottom line. GDP should be replaced by the Triple Bottom Line as the main tool for steering societal progress, as it provides a much more comprehensive picture of whether the development is on the right track or not.


The idea behind the Triple Bottom Line is tried and tested. Denmark's perhaps most respected company, Novo Nordisk, introduced the Triple Bottom Line twenty years ago and serves as one of the inspirational sources behind the Alternative's proposal. Novo Nordisk's results are so convincing that it is only natural to expand the idea from a company level to a national level. If Novo Nordisk can do it, so can Denmark.

Furthermore, UK's New Economics Foundation has done a pioneering and most thorough job of selecting five main indicators of national success. They argue that these five indicators give an accurate and comprehensive picture of the UK's development to a much higher degree than GDP. This approach has given the Alternative a concrete method to develop the Triple Bottom Line framework at a national level.

This discussion paper presents the Alternative's suggestion to the successor of the GDP: The Triple Bottom Line.



INDICATOR EXPLANATION



Biodiversity
measured on
natural capital


Greenhouse gas



Chemical impact



Ecological
footprint


Waste as a
resource


Fewer fossil-fuel
subsidies



Life satisfaction



Flourishing
Communities


Democracy
and civil rights


Poverty


Health


Equality and
diversity


Meaningful
employment


Equality


Investment
in the future


Public budgets in a
long-term balance


Financial stability


Professional
qualifications

The green, social and economic bottom lines must be followed as closely as statisticians, economists, politicians and media today follow the GDP. For each of the three bottom lines, the Alternative has selected two main indicators and four sub indicators for documenting the development. The total 18 indicators thus provide a much more fine-scale analysis tool, when we want to follow developments in society and plan political proposals, than the harsh goal of economic growth without any real regard for people or environment.

At the same time, the Triple Bottom Line give us an opportunity to discuss what kind of society we want. The pursuit of GDP has brought humans and nature on a collision course. The emission of greenhouse gases has destabilised the climate. Since the 1970s, more than half of all wildlife on earth has disappeared. Biologists are talking about the Sixth Mass Extinction in the history of the planet.

When the Alternative has chosen to look at greenhouse gas emissions and biodiversity as the main objectives on the green bottom line, while also deselecting GDP as one of society's 18 most important goals, it not only reflects a change in priorities, it is an outright break with the previous course of social development.

We need different policies, different actions, different economic models – and down to the smallest numbers, we need to rethink our priorities.

With the GDP, and the dominant position it holds, it is rather telling that we can measure the economic growth down to the smallest decimal, but when it comes to the population of endangered species in our country, we fumble in blindness. Economists have received funds to map the supply balances in all the productive sectors and corners of the economy, but when it comes to the extent of the destruction of our ecosystem, our database is surprisingly poor. The scarce funds for studies of our ecosystems cover too little, and the studies come too late and too rarely.

However, on the basis of the numbers we do have, we can see that it is going in the wrong direction. Denmark has committed itself to preserve biodiversity in a number of key areas, but fewer areas show signs of sufficient progress. At the same time, our reduction of greenhouse gas emissions has leveled off. Denmark is getting further away from keeping our part of the Paris agreement, which was made to secure the planet against excessive temperature rise.

When we have extensive data on the economic development but not on the environment, it is a political choice. The majority has decided that the economy is more important than the environment. The Alternative wants to change that. We want extensive data on the environment. What we measure matters. Numbers affect the media, the public and politics. We talk less about issues that we do not have numbers on. The Alternative is, of course, not the only ones with this knowledge.

For example, it is hardly by accident that the Danish government has abolished the official poverty target while also withdrawing Denmark from the pan-European mapping of social indicators via the European Social Survey. Right now, poverty is growing in Denmark and the government is only pushing this development further with its policies. But the numbers are being hidden, well, frankly abolished, so it does not become a public debate.

The Alternative wants to go in the opposite direction. Equality is one of our two main indicators on the economic bottom line. Consequently, we will reintroduce the official poverty target, reintroduce the pan-European mapping of social indicators, and above all, pursue an economic policy that reduces poverty year by year.

At the same time, the Alternative focuses on pursuing an economic policy that ensures 'meaningful employment'. Worth noticing in this context is that we will measure not only the number of jobs but also look at the quality of the jobs being created, including how 'meaningful' they are. We do not believe that people should work for money alone, we believe that people should see meaning in their work. In today's competitive state, there is far from enough data available on whether or not people experience their work as meaningful. In the calculation of GDP, these kinds of finer details are irrelevant. Instead of a competitive state, the Alternative wants a balanced society, where the starting point is not GDP, but people and the environment. In a balanced society, it is very important that the individual experiences his or her work as meaningful. Therefore, the Alternative proposes completely new statistics for how the Danes experience their work. At the same time, the Alternative includes voluntary work in the calculations. Despite the fact that volunteering is not a part of the calculation of GDP, volunteering often gives high value for both the individual and the society as a whole.

On the social bottom line our main indicators are life satisfaction and the quality of social communities. Denmark was once known as the country with the happiest people in the world. That is no longer the case. While most northern European countries are experiencing an increase in life satisfaction, Denmark has experienced a decrease since 2005. That ought to be a huge debate in the Danish media and among the public. Not simply because the Norwegians are now happier than the Danes are, but because something has gone awry in Denmark within the last decade. For the Alternative, it is more important to see a rise in life satisfaction than in the GDP.

When it comes to social communities, we see signs that things are going the wrong direction as well. The number of Danes who rarely see family, friends or colleagues is increasing. Both in terms of life satisfaction and social communities, poverty is an important factor. Figures show a connection between poverty, low living satisfaction and few social connections. When Denmark is experiencing a decline in the measurements of happiness, it is, among other things, because politicians are pushing more people into poverty. Thus, the indicators of the Triple Bottom Line are connected. Weaknesses in one place often show in other areas as well.

Although the economists' GDP are now growing again, there is predominantly a decline in the Alternative's version of GDP. Most main indicators are declining or falling behind. The development as measured by the Triple Bottom Line underlines that GDP does not give an accurate picture of how society is actually progressing. Economist Simon Kuznets, who developed the GDP for the US Congress in 1934, literally warned against using GDP growth as a measurement of societal progress.

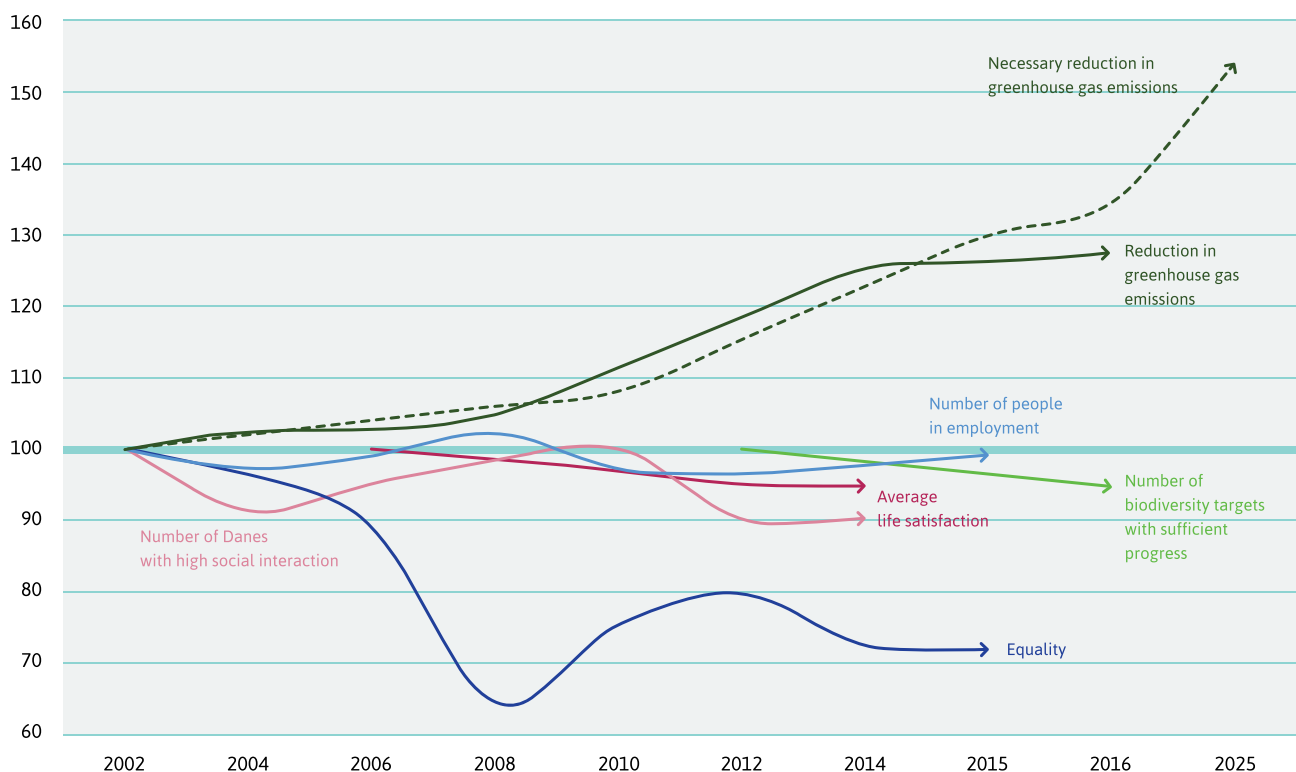
The Alternative believes that the Triple Bottom Line will be much better at monitoring the development of our society. With the Triple Bottom Line, citizens and politicians can put words and numbers on the essentials, monitor progress and organize policies thereafter.

The Alternative admits that there is much work to be done before we have developed a fully satisfactory model. This discussion paper is therefore only a first draft on how the Triple Bottom Line could be designed. There is greater knowledge outside the political parties than inside. Therefore,

the political parties must be humble and curious and seek constructive criticism from citizens and experts at home and abroad. We do this now, knowing that more and more people in more and more countries have come to the same realisation: GDP is no longer an adequate measurement of national success and prosperity.

DECLINE

Development in the Alternative's GDP for Denmark (index 100=2002)



The figures show the development of our six main indicators and the necessary reduction in greenhouse gas emissions. Basis for calculating the reduction path is the target of 55 % greenhouse gas reductions by 2025 compared to the level in 1990 and 40 % by 2020. Danish Society for Nature Conservation and the WWF biodiversity barometer are used as preliminary indicators of the biodiversity target. They have been indexed for 2012 due to the lack of prior targets. Furthermore, we chose to not include the targets for 2014 and 2015 as it would be a misrepresentation of the real development, graphically speaking - due to the low number of targets, there was an increase of 100 % in biodiversity targets from 2012 to 2014 with sufficient progress, and a decline of 100 % from 2015 to 2016. Due to the lack of comparable data from before, the target of life satisfaction (World Happiness Report) is also indexed for 2006. No life satisfaction measurement has been made in 2008. As Statistics Denmark's measurement of satisfaction with social relations is a new goal, EES targets for the share of the population with much social interaction have been applied as the target for the quality of communities. We define that as the share of Danes who see family, friends and colleagues once a week or more. Equality is measured according to the S80/20 rate. Finally, Statistics Denmark's statement on the number of employed people is used as a preliminary target for meaningful employment.

AN ALTERNATIVE, ECONOMIC WAY OF THINKING

“The biggest dilemma of our time: Reconciling our aspirations for the good life with the limitations and constraints of a finite planet”. - Tim Jackson, professor of sustainable development and author of ‘Prosperity Without Growth’.

Throughout the world, initiatives seeking to find alternative ways to arrange our political and economic system emerge. The Alternative UK made a comprehensive survey¹ of the most prominent change initiatives under the headline “Tired of the old economic model? - you’re SO not alone”. The survey describes initiatives such as the UN’s ground-breaking sustainable development goals, the Happy Planet Index (index of well-being), the socio-economic certification of companies (B-Corporation), the transnational, cooperative effort on sustainability (Compact of Mayors) and the Ellen MacArthur Foundation’s new circular economy programmes. It is encouraging to see how people around the world identify the same main issues and suggest innovative solutions, pointing in the same, hopeful direction.

There are obvious reasons why so many have grown tired of the old, economic model. Increasing inequality; overconsumption of limited and essential resources; an unprecedented, anthropogenic extinction of species; exhaustion of farmland, forests and the aquatic environment; inevitable climate changes and rapidly increasing psychological and mental problems such as stress, anxiety, depression and loneliness. The old, economic model simply no longer delivers. We need the courage to think alternatively.

The Alternative would also like to contribute to the new thinking now emerging. We therefore present our proposals for alternative, socio-economic principles in this discussion paper. At the same time, we acknowledge that our questions are often better than our answers and that there is more knowledge outside of the Alternative rather than within. As a result, we would like for this first proposal to form the basis of a comprehensive debate that involves all interested citizens. We need a public debate on which direction we, collectively, should be headed in and how to measure if we reach the final destination.

¹<https://www.thealternative.org.uk/dailyalternative/2017/5/15/realeconomylab>

“GDP measures income, but not equality, it measures growth, but not destruction, and it ignores values like social cohesion and the environment. Yet, governments, businesses and probably most people swear by it. Part of the problem is that perhaps we expect too much from this trusty, though misunderstood, indicator.” - François Lequiller, head of national accounts at the OECD

The political agenda in Denmark as well as internationally remains primarily focused on maintaining growth in the national economy. For half a century, we have equated a larger economy with positive development for society. Growth in the national economy is made up in the balance sheet called the gross domestic product (GDP). GDP specifically tells us whether we, society, produce and consume more than we did last year. Among other things, a higher GDP is a reflection of higher earnings, investments, productivity and employment. It provides the state with more tax revenues, and those who benefit from further income get to spend it how they want.

So, GDP measures a significant share of our economic wealth in society. Previously, development in wealth and development in welfare went hand in hand. As such, it is not hard to understand why, traditionally, the dominant economic thinking has equated a high growth in GDP with positive development in society in general.

Economic growth has long been pursued as the solution to any social and ecological problems caused by growth's own logic. For a long time, economic theorists believed that economic growth would only increase inequality and impact the environment negatively for a while². At one point, the argument was that growth would create such technological progress that growth itself could occur without impairing the environment³. Eventually, tax reliefs for the top of society would trickle down through the economy and create such growth that it would result in increased welfare in all social groups⁴.

We see the result today: environmental destruction continues; inequality increases. Most OECD countries have the highest level of inequality seen in half a century. At the same time, they leave an ecological footprint so big that it would take four planets if all countries were to keep up.

Meanwhile, the main object of economic growth is also consistently questionable. It is assumed that more money and more consumption will make us happier, and more growth is therefore always better. Obviously, it is of significance when GDP is growing in a poor country and the inhabitants can afford medicine, health and enough food. However, when those basic needs have been met, more consumption does not do much to the sense of happiness. If at the same time more consumption goes hand in hand with busyness, stress and the destruction of nature and human relations, the connection may become downright negative.

²Kuznets, Simon, 1955, Shafik, Nemat; 1994 ³Jackson, Tim; 2017 ⁴IMF, 2015

THE ECONOMIC MODELS ARE NEOLIBERAL

In the long run, the neoliberal policy turns out to make little economic sense either. World Bank economist Herman Daly pointed out that economic growth in the western countries has entered a phase during the past two or three decades which is outright uneconomical. Growth becomes uneconomical when products produced and consumed (such as motorways or chemical plants) undermine more natural and human value than they contribute with. Uneconomical growth occurs because social and environmental values are often not traded on the market. They have therefore not been given a market price - an economic value - through supply and demand. Although social and environmental conditions create most value in our lives, they are either considered to be expenses or are not even included in the calculation of national progress through traditional models and the GDP.

The neoliberal logic influences the development of policy in Denmark, among other things because it is practically built into the leading calculation models applied in the Danish Ministry of Finance when working out the economic consequences of political proposals. The calculation models of the Danish Ministry of Finance, of which ADAM and DREAM are the primary models, are significant when deciding which political proposals are possible and realistic to implement. However, the calculation models have been designed on, and will give results on, the basis of a number of neoliberal, ideological assumptions.

For example, the calculation models may provide an estimate of how much it will cost the state to lower the vehicle registration fee or the excise duty on petrol. However, the models do not take into account the fact that when you make it cheaper to buy and use fossil fuel-driven vehicles, it will also increase air pollution, impact the climate and harm public health. In spite of a growing acknowledgement in the Danish Ministry of Finance of the necessity of a broader impact assessment, the current calculation models continue to not include the so-called 'dynamic effects' to a sufficient degree. Only a few, derived effects are currently included in the calculations of the models. When the Danish Ministry of Finance is assessing the effects of material investments in for example bricks, motorways and machinery, they can detect positive effects, but when it comes to immaterial investments in better education and prevention of social issues, the models calculate these investments

The neoliberal agenda

In 1947, economists Milton Friedman, Friedrich Hayek and Ludwig von Mises, among others, got together in the Swiss town of Mont Pelerin to write a new, economic story which they called 'neoliberalism'. It contained a so-called 'laissez-faire' approach to the market with privatisation, decrease of wages, tightening of fiscal policies, deregulation, free trade, tax reliefs and reduction of public expenditure with a view to increasing the role of the private sector in society.

These market-based ideas constituted a paradigm shift away from the Keynesian consensus of the post-war period, lasting from 1945 to 1980. The neoliberal agenda broke through during Thatcher and Reagan and has been leading ever since.

Behind the neoliberal agenda is a strong belief that economic growth will benefit the entire society and that tax reliefs and increased income at the top of society will gradually seep through the layers of society and benefit everyone.

In Denmark, the neoliberal agenda is often launched in disguise and is called the 'policy of necessity'. However, the initiatives are the same: Privatisation of jointly owned companies, worsened conditions for employees, tax reliefs for the top of society, frequent savings on research, health, education and culture and cutbacks in social benefits.

Neoliberalism dominates the thinking in the political elite and in the machinery of government and is incorporated into the economic models that form the basis of the economic policy in the country. The consequence is that the economic politics pursued will remain largely unchanged, regardless of whether the minister of finance is centre-right or a social democrat. An alternative, economic agenda is necessary to curb the neoliberal agenda.

as expenses although research clearly establishes that long-term investments in welfare pays off in terms of both economic and social sustainability. In that way, derived, positive effects of investing in people, environment and communities are consistently underrated in the calculation that politicians use to make decisions.

The influential models of the Danish Ministry of Finance have been designed to underrate the positive effects of investing in people, environment and communities and to underrate the negative effects of reduced taxes and increased inequality. When political decisions are made based on the results from these models, we will consistently spend too little money on people, environment, equality and communities. It is an expression of a political choice when the models include the derived effects from investments in machinery and reduced taxes but not the positive effects from investments in welfare and sustainability. This political choice shows that the calculation models of the Danish Ministry of Finance are not neutral but based on ideological assumptions. Therefore, the Alternative and a majority of the Danish Parliament instructed the government to develop economic models based on fair assumptions - entirely in line with recommendations from the Danish Economic Council.

In Denmark, as well as abroad, we see more and more signs that the ideological assumptions rooted in neoliberalism do not hold. Economic growth does not automatically result in better lives in the long run. Economic growth has not lead to a decoupling of consumption and human environmental impact. Economic growth has created increasing inequality. Empathy across social classes is eroding. The growth-driven, economic system has blind spots and destructive dynamics that will worsen our life circumstances and survival capacity over time. The constant pursuit of consumption-driven growth requires constantly increasing efficiency, resource consumption and pollution. It undermines vital ecosystems and human well-being.

The neoliberal approach to socio-economics is neither sustainable nor profitable from an economic, social or environmental perspective. To the Alternative, it is a crucial step towards a sustainable and viable society to rethink the way we see and measure value and progress in our lives, in our society and on our planet.

ACCOUNTS WITH A TRIPLE BOTTOM LINE



The Alternative wants to establish a society where human and environmental resources are in focus. Rather than unilaterally considering the economic bottom line, we, the Alternative, work towards creating a surplus on the Triple Bottom Line: the economic, the social and the green bottom lines. In order for us to achieve a good and sustainable society, we need all three bottom lines to balance. A good life cannot be reduced to a matter of economic growth and productivity.

Progress on all three bottom lines will - far more than a unilateral focus on GDP - ensure that economic development will benefit more people and more generations. It is a matter of significant reassessment and rethinking of all socio-economic principles at all levels: the individual, the local, the national, the European and the global levels. The goal of our economic policy is to support economic institutions and relations that promote sustainable, harmonious and inclusive development based on a sound economy. The economic relations cannot be viewed independently of society's general set of values in which all people's welfare and interplay with nature and environment are included on equal terms. The concept 'sound economy' cannot be viewed and assessed isolated from the people and the nature that are a prerequisite, but also the target of the economic policy.

To the Alternative, the economic activity is therefore not a target per se but rather one of several means to ensure that people thrive and feel valued and that society shows respect for the natural foundation as well as for future generations. Economic growth is good if it balances the social and the green bottom lines. Economic growth is bad if a surplus on the economic bottom line leads to a deficit on the two other bottom lines.

A holistic view on society is necessary, integrating wealth, environment and social sustainability. The goals by which we as a society are navigating should reflect this holistic approach to progress.

At this very moment, the IMF, the World Bank, the UN, the EU and OECD all work to make models and methods that include human and environmental values in progress calculations. In this discussion paper, we, the Alternative, would like to present our proposal for ways to measure and analyse social development in a far more nuanced, transparent and holistic way than GDP. Rather than having economic growth as the primary goal for society, we, the Alternative, will measure progress on the Triple Bottom Line. Measuring by this will provide us with a more true and fair view of whether or not we as a society are moving in the right direction. It will provide us with a better foundation to assess and create politics.

The Triple Bottom Line

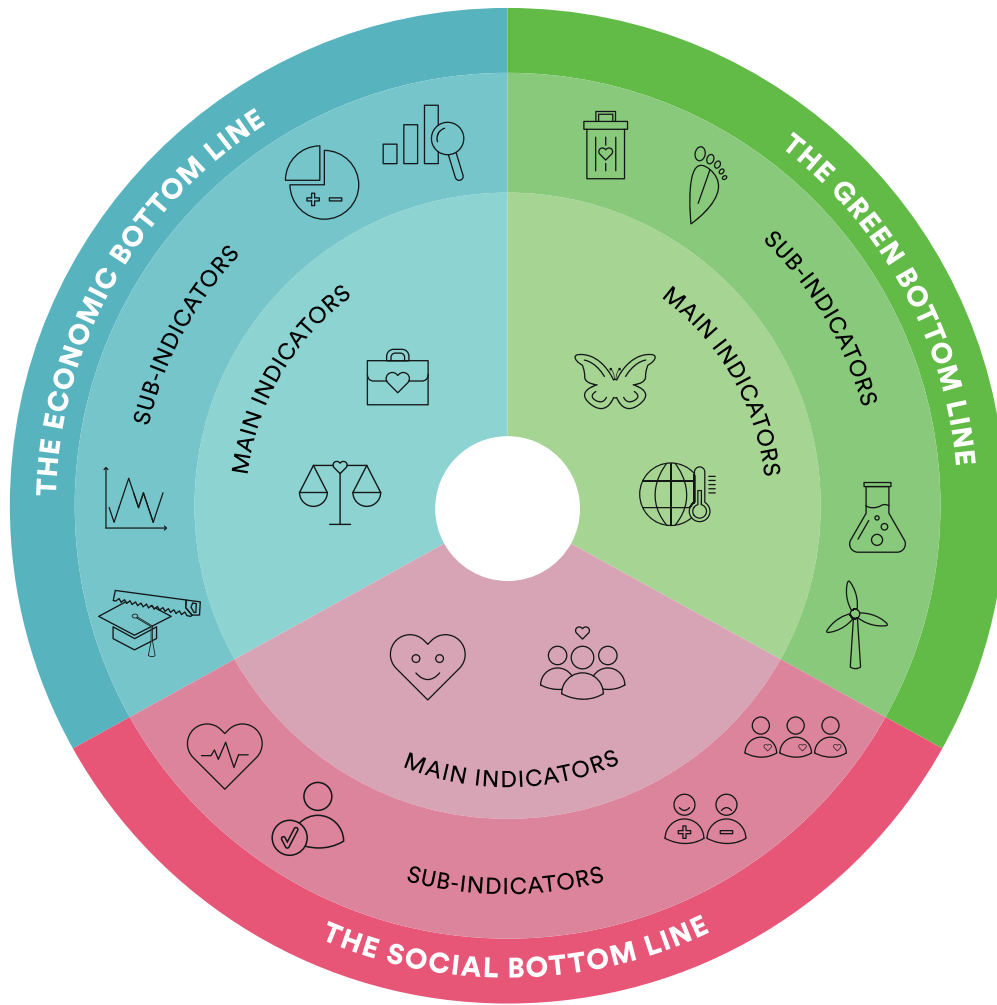
In order for social development to be sustainable, the green, the social and the economic bottom lines all have to balance. That is the conclusion of the Brundtland Commission, established by the UN in 1987. Since then, the idea of progress on three bottom lines spread to all corners of the world. Countries and cities around the world now work to balance economic growth with the protection of nature and social progress. The idea is also increasingly found in the business community. In Denmark, Novo Nordisk is a pioneer and has worked with the Triple Bottom Line since the 1990s. In 2006, the company entered into a binding agreement with the World Wide Fund for Nature, committing the company - despite high anticipated growth - to change its energy consumption and reduce its CO₂ emissions by 10 per cent up to 2014. They did it partly to help the world, but - as former member of the Executive Management Team at Novo Nordisk, Lise Kingo, pointed out: 'We believe that it is sound business in the long run'.

As is the case with OECD, the UN, and the EU, we have chosen an indicator-based approach where we measure by a selection of the most important parameters for social development. As opposed to these organisations, however, we have chosen to select a very limited set of indicators under each bottom line. If the number of indicators is too high, we run the risk of losing focus on what is important, so although the Alternative wants progress on all parameters imaginable for positive human and environmental development, we carefully selected merely two main indicators for each of the three bottom lines. They were selected because they contain many of the most important aspects of development on each bottom line. For example, the indicator of life satisfaction is a target that contains our assessment of our relations, our health, sense of purpose, our material situation and our relations to our surroundings.


These six main indicators should specifically be seen as our first proposal to an alternative to the GDP. Combined, the main indicators provide us with a nuanced view of whether the policy pursued creates sustainable and rewarding development - economically, environmentally and socially. They have been selected in a way that makes them relatively easy to remember and understand for all citizens. They can be used to assess political proposals and development in society in general. The Alternative will use the model as a tool to monitor development in the most important social parameters. Our political visions, proposals and discussions will be compared with the Triple Bottom Line. The selection of the indicators is based on an analysis of the factors that the Alternative in close interaction with science finds to be the most important in order to create a good society.




The six main indicators are as follows:



INDICATOR EXPLANATION


Biodiversity
measured on
natural capital


Greenhouse gas



Chemical impact



Ecological
footprint



Waste as a
resource


Fewer fossil-fuel
subsidies



Life satisfaction



Flourishing
Communities



Democracy
and civil rights


Poverty


Health


Equality and
diversity


Meaningful
employment


Equality


Investment
in the future


Public budgets in a
long-term balance


Financial stability


Professional
qualifications

In addition to the two main indicators on each bottom line, we chose to select four sub-indicators to supplement and support the development we want on the bottom line in question. We did that to nuance and develop each bottom line without compromising on applicability. Thus, the 18 indicators form a fine-meshed analytical device to view development in society and assess political proposals.

It is with some ambivalence that we seek to establish goals and add figures to conditions in life that are meaningful in themselves. Reducing the complexity of life and society to 18 indicators is obviously not a possibility. All indicators are simplifications of reality and should be seen and handled as such.

Work with these indicators should primarily be seen as making the conventional political thinking more nuanced. Too often, that way of thinking considers and treats economic value as a goal in itself and not as a means to a freer and more sustainable society.

It is essential to the Alternative that our policy is created in collaboration with as many citizens as possible. We would like for our first proposal for the Triple Bottom Line to be pressure tested, challenged and upgraded by anyone wanting to join in. When this tentative beginning of a model for sustainable social development has grown stronger, we will work together with the foremost international experts and organisations to sharpen the model. In short: The Triple Bottom Line will be shared with Denmark and will be shared with the world.

Alternative calculations

Several alternatives to GDP have already been developed: The most well-known are 'the MEW Index' developed by William Nordhaus and James Tobin in their book 'Measure of Economic Welfare (MEW)' from 1972, the Japanese indicator Net National Welfare (NNW) from 1973, 'the Economic Aspects of Welfare index (EAW)' developed by Zolatas in 1981, 'the ISEW indicator' developed by Daly and Cobb in 1989 and the UN Human Development Index (HDI) from 1990, Happy Planet Index; New Economics Foundation; 2006.

THE GREEN BOTTOM LINE



As a society, we have to decouple economic growth from environmental deterioration and overconsumption of the scarce natural resources. Indeed it is possible and it has already happened in parts of the world. However, the degree of greening necessary is among the most radical cultural, socio-economic and behavioural changes ever to occur for a civilisation. The task requires for us to become aware of the value that the climate, the environment and biological diversity have to society.

In this section, we will present our proposal on how to include the environment in our way of seeing societal progress and recession. When we incorporate social and environmental relations in our understanding of socio-economics, we add in the option of stopping for a minute and asking ourselves: Is everyone - also future generations - on board? This section describes the need to measure progress by the green bottom line.

The need is obvious: Biodiversity in Denmark is under pressure, a large part of Danish nature is in a deplorable state, resource consumption in Denmark is among the highest in the world⁵. Denmark's ecological footprint is among the biggest in the world when it comes to emissions of greenhouses gases, consumption of materials and land use⁶. Our water consumption per capita is the eighth highest in the world⁷. Extreme weather conditions, natural disasters, famines, scarcity of water and rising temperatures have become part of our everyday lives. Humankind causes deforestation, intense cultivation, acidification of oceans, concentration of greenhouse gases in the atmosphere and the Sixth Mass Extinction of species. Species currently become extinct at a rate that is 100-1000 times faster than what used to be normal for life on Earth. If we do not act quickly, the devastating consequences will forever stand testament to the fact that we did not take good care of Earth while we were here.

New geological era: The Anthropogenic Era

In September 2016, an international, geological congress in Cape Town marked an epoch-marking milestone in human history. Researchers identified a new geological era: the Anthropocene - the anthropogenic era.

The Anthropocene started around year 1800 and is defined by an unprecedented, human disturbance of Earth's ecosystems in which humankind causes rapid, often unintended changes. In the Anthropocene, humankind is an enormous, geological power that can fundamentally change the processes on which our own survival depends. The last four geological eras lasted 23 million years combined. It rarely happens that the world's leading researchers agree on naming a new era. The previous era, called the Holocene, started at the last ice age and lasted around 12,000 years. It was characterised by a stable climate, but that has now come to an end.

The new era is exceptional in that the fundamental, geological changes are no longer natural. We now witness humankind's significant impact on basically all of Earth's processes. This means that the history of the planet must be rewritten as Earth's stratigraphic layers will clearly show, today and in the future, that Earth changed because of us.

We now have to adapt to numerous, connected transformations in the system of the planet, and they will change the basis for all living like cascading movements. Earth's stability is threatened. Economic growth with no respect for the limited resources of the planet is no longer a possibility. Natural resources are no longer the primary force behind planetary changes - we are, humankind.

⁵http://ec.europa.eu/environment/eir/pdf/report_dk_da.pdf page 4 ⁶<http://finans.dk/live/opinion/ECE9363398/tving-miljoeet-ind-i-finans-ministeriets-regneark/?device=mobil&ctxref=ext> ⁷<http://www.exiobase.eu/index.php/publications/creea-booklet/72-creea-booklet-high-resolution/file>

Our overconsumption of natural resources deteriorates conditions for millions of people already today. Each day, we limit the possibilities of future generations. Humankind now leaves such significant marks on the planet that, according to geologists, we have entered a new, geological era - The Anthropogenic Era (see text box).

Climate changes will affect basically all human and natural activities on Earth. We should systematically understand, describe and consider the consequences to nature, environment and climate caused by our social activities. Only by becoming aware of the consequences of a given policy can we develop environmentally sustainable policies and create a sustainable future.

There is no magic spell which can reverse the damage we have already caused to the climate and the environment. Implementing a green bottom line is no miracle cure either, but it is a place to start. We need to think differently, understand differently and act differently. With the green bottom line, we create transparency for our goals and our actions. We move the discussion and awareness to a national level. A nation steered by a green bottom line is a nation different to one steered by GDP.

Economy and ecology originate from the same Greek, linguistic root: Oikos - meaning house or home. While economy exclusively exists as a social phenomenon, physics and the limits of the planet exist whether we believe in them or not. In spite of that, the laws of economy are more dominant in our social development than the laws of nature are. Often, we even refer to economic interventions as 'policies of necessity' although, ultimately, it is always a political choice.

We need new political tools if we are to make generosity, humility, and respect for the expression of life on Earth the focal point of all political decisions. The Alternative wants to implement the Triple Bottom Line to make the ecological capacity the premise for politics.

CHOICE OF INDICATORS

To get a clear view of the progress or decline of environmental sustainability, comprehensive green "national accounts" are necessary. Denmark needs statements for energy, flow of goods and materials, greenhouse gases, emissions of air pollutants, water, waste water, land use and land cover, waste, environmental protection costs, production of green products, environmental taxes and subsidies, stocks of oil and natural gas, forests, fish and land/soil etc. This is extensive work which Statistics Denmark is already working on and calls the Green National Accounts⁸.

The Alternative acknowledges the necessity of fine-meshed, environmental accounts but also seeks to focus on political efforts and the public debate on a few, decisive factors. The analyses from Statistics Denmark inspired us in our work with the Green Bottom Line.

We selected six indicators that, combined, provide us with a general idea progress or declining in our greening efforts. The indicators have been selected based on the Alternative's social analysis of the biggest challenges that we as a society are facing. The indicators are our preliminary proposal of ways to initiate a process in which the ecological latitude of the planet will become the premise for political development.

⁸Grønne nationalregnskaber og det grønne BNP – Metoder og muligheder (green national accounts and the green GDP - Methods and possibilities), page 8

We will compare political proposals and the general social development with these six indicators to ensure that Denmark is moving towards greening. The indicators must continuously be developed, supplemented and possibly replaced by other indicators about which we will continuously gain more understanding in close dialogue with all interested parties.

The selected green indicators are all linked to the UN's 17 sustainable development goals and the Paris agreement. Our national policy must be global and holistic. The decisions we make in Denmark affect not only us, but people around the world. We have to keep this in mind when making policies - although the Danish green bottom line is our obvious starting point, as that is the one we can influence the most.

At the same time, we must be fully aware that the example we set is of great importance. The world needs examples to prove that sustainability can go hand in hand with jobs and welfare. The Alternative's goal is for Denmark to be such an example.

The first step towards that is to arrange Danish politics according to the global targets in the Paris agreement, the UN's 17 sustainable development goals and the UN targets to halt biodiversity loss. The Paris agreement binds us to work for global warming to not exceed rises in temperature of more than 1.5, max. 2 degrees. This means that more persistent, Danish efforts are needed. Denmark therefore also must arrange its climate policy according to the most recent science and put pressure on the EU to do the same.

The COP21 climate agreement may be - and should be - a turning point. For the first time in world history, we agree on the direction we are headed. The task will now be to make sure that we reach the finish line in time. And we are in a hurry. It really is quite simple: If we in Denmark and in the EU take the Paris agreement seriously, we have to adjust our policy so that it respects the 1.5-degree objective.

THE GREEN BOTTOM LINE



GREENHOUSE GAS



BIODIVERSITY MEASURED
ON A NATURAL CAPITAL



ECOLOGICAL FOOTPRINT



FEWER FOSSIL-FUEL
SUBSIDIES



WASTE AS A RESOURCE



CHEMICAL IMPACT



Indicator no. 1: Greenhouse gas



Is the climate impact from the Danes getting bigger or smaller?

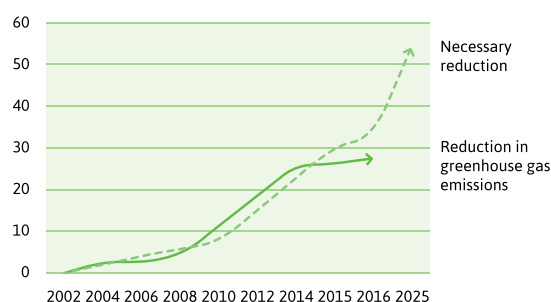
Indicator: The measurement of greenhouse gas emissions calculates whether emissions from Danish consumption and production are declining at a rate that is sufficiently fast to deliver the Danish contribution to keeping global rises in temperatures well below 2°C and strive towards limiting it to 1.5°C up until year 2100.

In 2015, the CO₂ level in the atmosphere rose to the level that climate researchers for years have called 'game over'. Climate changes occur at a pace far more rapid than previously assumed. For the third year in a row, 2016 became the warmest year since measuring started 137 years ago. At the same time, the extent of devastating, extreme climate events such as heat waves, droughts and floods have increased considerably. The last time Earth experienced such global warming was in the so-called Paleocene-Eocene Thermal Maximum era. It took place a little more than 55 million years ago⁹ and caused rising in temperatures of about five degrees. The most urgent task is to reduce our greenhouse gas emissions which currently increase temperatures on the planet so intensively that it might be a matter of life or death to a large part of Earth's population and nature in the long term. At the same time, the economic cost for climate change is one of the biggest potential threats to the global economy¹⁰.

The UN Intergovernmental Panel on Climate Change, IPCC, mapped the maximum amount of greenhouse gases that may be emitted in order for us to limit rises in temperatures to 1.5 degrees, 2 degrees, 3 degrees, etc., respectively. In order for us to have a chance of two thirds to limit warming to 1.5 degrees, we can emit no more than a further 240 Gt CO₂ globally according to IPCC. That will have happened in four years if we continue with the current emission rate. So we are in a hurry. The global level

REDUCTION OF GREENHOUSE GASES, BUT STILL A LONG WAY TO GO

Figure 1: Reduction in greenhouse gas emissions in percentage of 2002 emissions



Our reduction in greenhouse gas emissions in percentages relative to 2002 compared to the necessary reduction in order to keep the global rise in temperature below 1.5 degrees as instructed by the Paris agreement. Source: 'Basisfremskrivning' (basic projection), Danish Energy Agency and Vedvarende Energi (renewable energy).

Green hopes around the world

Costa Rica, for example, is a country that is already far into the transition to renewable energy. The country has an effective energy network with energy production primarily from hydroelectric power, geothermal energy and wind power. In 2015, Costa Rica was capable of excluding fossil energy from the national energy network for an entire 299 days. Sweden is another example of a country with high ambitions in the energy area. The Swedish parliament decided that the country must have eliminated any emission of greenhouse gases by 2045. In China, the world's largest emitters of greenhouse gases, solar panels corresponding to the size of three football fields are installed every hour year-round.

⁹ http://news.nationalgeographic.com/2016/03/160321-climate-change-petm-global-warming-carbon-emission-rate/?utm_source=Twitter&utm_medium=Social&utm_content=link_tw20160321news-carbon&utm_campaign=Content&sf22907243=1

¹⁰ <https://www.theguardian.com/business/2016/jan/14/climate-change-disaster-is-biggest-threat-to-global-economy-in-2016-say-experts>

of ambition must be significantly and quickly increased. When adding up all current climate plans, the temperature will have increased by 3.0 to 3.5 degrees by year 2100. All climate research points to countries having to do much more in order to reach the two-degree goal.

According to 'Global Resource Footprint of Nations', Denmark comes in seventh in relation to emission of greenhouse gases per capita¹¹. In 2010¹², think tank CONCITO calculated the consumption emission per Dane to be around 19 tonnes of greenhouse gases a year. That is significantly higher than the official number of around 12-13 tonnes of greenhouse gases annually, being the figure you get when dividing the national Danish emission by the number of citizens in Denmark. The difference between those two numbers is the emission of other countries' production of goods that we consume in Denmark. It is therefore quite essential that all of our emissions - also aviation and shipping - are included in that indicator. We need transparency when calculating Danes' real greenhouse gas emissions.

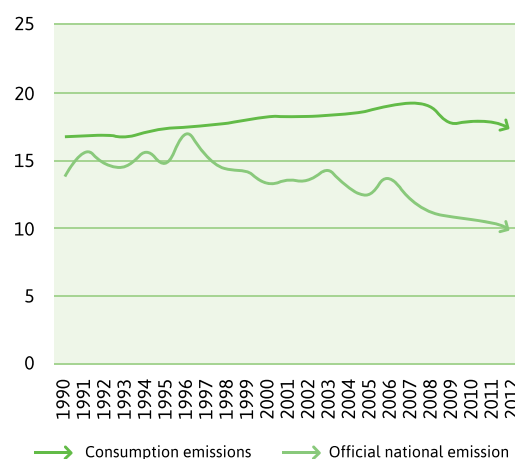
The purpose of that indicator is for us to be able to state how the total Danish consumption and production are affected by the policy. We need to know if we emit more or less greenhouse gases and also in other respects follow the reduction path that we consider to be the fair and necessary Danish contribution to curtail the climate crisis.

How do we measure? We believe that by 2040, Denmark should have 100 per cent renewable energy and not less than a 95 per cent reduction of greenhouse gases compared to 1990. Being one of the richest countries in the world with one of the highest amounts of emissions per capita in the world, Denmark has an obligation to lead the way. Our measurement of greenhouse gas emissions calculates if the total Danish emissions are declining enough for Denmark to make its contribution to the international goal of a global increase in temperature of less than 2 °C. The goal continues to be to limit the rise in temperature to 1.5 °C above the pre-industrial level.

The greenhouse gas indicator should consist of two statements. One is the common production statement which the Danish Energy Agency issues each year. It shows greenhouse gas emissions from anything being produced in Denmark and also from imports and exports¹³. A more comprehensive statement of greenhouse gases is then necessary, including emissions from everything we consume in Denmark, including biomass and our air and shipping transport. Greenhouse gas emissions must

WE EMIT MORE THAN WE OFFICIALLY WANT TO ADMIT

Figure 2: Greenhouse gas emissions per Dane in tonnes of CO₂



Danish greenhouse gas emissions when including consumption/import. Source: CONCITO.

Greenhouse gas budget and reduction path

It's possible to estimate how much greenhouse gas we need to reduce per capita in Denmark to reach Paris agreement's goal of keeping the temperature rise below 1.5-2 degrees with 2/3 probability. With such a greenhouse gas budget, Denmark will follow a linear reduction path of 40 per cent. by 2020, 70 per cent. in 2030 and zero per cent. in 2040 compared to 1990.

¹¹ <http://www.exiobase.eu/index.php/publications/creea-booklet/72-creea-booklet-high-resolution/file> ¹² <https://concito.dk/udgivelser/for-brugernes-klimapavirkning> ¹³ However, a climate correction must be made in relation to emissions connected to changes in heat consumption and a correction for electricity import compared to export. These two corrections are currently only made on an annual basis but will also have to be made quarterly.

be stated according to the various sectors of society: energy, transport, farming and otherwise (emissions of industrial gases and non-energy-related process emissions and emissions from waste and waste water). (emissions of industrial gases and non-energy-related process emissions and emissions from waste and waste water).



Indicator no. 2: Biodiversity measured on natural capital



Will we have more or less biodiversity in Denmark?

Indicator: We will monitor the development of the population of red list species over time. Here and now, we will assess the development by means of an annual, updated combination of the habitat assessment according to the Natural Capital Index and the 'immediate trend' for selected red list species based on expert opinions. We measure progress or deterioration in biodiversity according to natural capital by combining all data for municipalities.

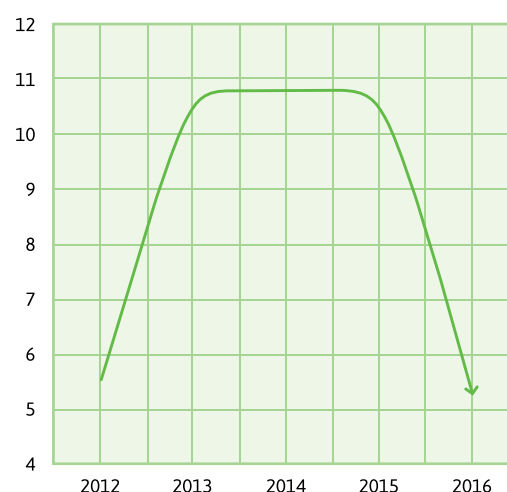
Biological diversity has no simple definition, but one could say that it means 'the variety in living nature' or 'the entirety of genes, species and ecosystems'. Many animal and plant species in Denmark are endangered, and diversity in nature continues to grow smaller. Natural habitats such as pastures, heath, meadow and old forests are gradually being reduced in numbers. At the same time, nature has fewer animals, plants and fungi, which thrive specifically in these natural habitats, because the quality of those areas as a habitat has deteriorated. We will have less wild nature¹⁴.

Abundance and diversity of life on Earth are also fundamental to human life on Earth. If we lose nature and biodiversity, life will collapse. Species and habitats are already disappearing at a pace more rapid than ever before. Researchers warn of the Sixth Mass Extinction of plants and animals. The fifth was due to a gigantic asteroid impact 65 million years ago. Since 1970, extermination has caused more than a 50 percent reduction of the number of wild animals on Earth. Two-thirds are expected to be gone before the end of this decade¹⁵.

Loss of biodiversity is a consequence of society's intensive exploitation of our land area and use of natural resources for farming, forestry, developments, infrastructure and production and of our emissions of way too large amounts of fertilising substances and environmentally dangerous substances.

BIODIVERSITY UNDER ATTACK

Figure 3: percentage of biodiversity targets with sufficient progress



The target shows the share of the Aichi biodiversity targets for which we have sufficient progress in Denmark. Source: Biodiversity barometer, World Wide Fund for Nature and the Danish Society for Nature Conservation.

¹⁴ 'Ændringer i det § 3-beskyttede naturareal 1995-2014', DCE – Danish Centre for Environment and Energy. ¹⁵ WWF Living Planet Report 2016, page 6

Nature has value in its own. Rich nature holds much value to society. It is in nature that we are drawn by the wonder of life and learn to understand the development and adaptation of life. By prioritising nature in socio-economic thinking, we create more resilience and the best circumstances for using nature for experiences, outdoor life, learning, tourism, recreational fishing and hunting.

Obligations regarding improved biodiversity

In Denmark, we have committed ourselves to turning deterioration in biodiversity by 2020. Together with 192 other countries, Denmark signed 20 'Aichi biodiversity targets' in 2010 which should be met by 2020. Countries such as Canada, India and Australia developed programmes and strategies to live up to the targets of the convention. The Alternative would like for Denmark to also draw up a national programme with a primary focus on preserving biodiversity.

How do we measure? Researchers from Aarhus University (DCE - Danish Centre for Environment and Energy) developed the Natural Capital Index in cooperation with the Danish Society for Nature Conservation and University of Copenhagen. The natural capital is an analysis of nature in Denmark's 98 municipalities and is based on data from the national biodiversity map. The natural capital index indicates the calculated natural value of the natural habitats in each municipality. However, the natural capital index is based on calculations which are not updated annually, and some of the statements used in the drawing up may be of an earlier date. This makes the index somewhat unfit to describe development in biodiversity over time. DCE previously used a simpler method to monitor development in biodiversity. Experts assess the 'immediate trend' for selected red list species, i.e. plant and animal species that have disappeared, are in danger of disappearing, or are rare in Denmark. The 'immediate' trend then works as a target for biodiversity in relevant ecosystems. Experts will use existing data gathered by volunteers and professionals in their assessments just as experts do when red-listing species. If this method is used annually, involving a number of experts and a number of species groups representing variety in Danish ecosystems, we would be able to monitor development in biodiversity for various ecosystems over time.

The Alternative is working to allocate sufficient resources to monitor development in the population of red list species. There are nowhere near enough means to monitor and gather data on biodiversity in Denmark. Denmark simply has far from sufficient data on the enormous loss of biodiversity taking place these years. In the near term, the Alternative therefore suggests assessing the development in biodiversity by means of an annual, updated combination of the habitat assessment according to the Natural Capital Index and the 'immediate trend' for selected red list species based on expert opinions.

However, the Alternative is very open to the development of new ideas and methods in the area and wants to adjust the indicator according to the best, existing possibilities in the future.



Indicator no. 3:

Ecological footprint



Will Denmark's mark on the globe grow bigger or smaller?

Indicator: The ecological footprint is developed by 'Global Footprint Network' and measures people's consumption of natural resources. The footprint shows how large an area is necessary per capita in order for nature to renew the resources consumed. We measure progress or deterioration in biodiversity measured by natural capital by aggregating all data for municipalities.

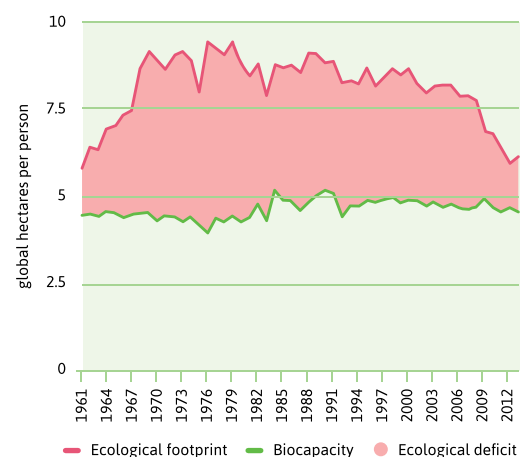
Our ecological footprint measures the relationship between people's behaviour and Earth's tolerance. In popular terms, it shows how many globes would be necessary if everyone in the world had the same resource consumption as the average Dane.

The ecological footprint is measured in hectare per person. The footprint shows how many hectares are necessary for nature to be able to absorb the waste products and renew used resources from one person. That figure can then be compared to the number of hectares of biologically productive land and water per person on the planet. If the Danish ecological footprint scaled to a global level increases the world's biocapacity, it will lead to an overexploitation of nature, thus a minus on the green bottom line.

In 2006, Switzerland became the first country to prepare a report on the ecological footprint of the country. In 2008, the footprint became an official indicator for Switzerland's sustainable development. Each year, Swiss Federal Statistical Office issues a status of Switzerland's ecological footprint, and Denmark should do something similar. From 2008 to 2012, the ecological footprint per person in Switzerland declined - although from a high level. In the meantime, however, there are still more and

50 YEARS ON AN ECOLOGICAL STANDARD OF LIVING THAT IS TOO HIGH

Figure 4: The Danish, ecological footprint



The graph shows the (dis)proportion between the Danish, ecological footprint and the tolerance of our ecosystem measured in global hectares per person. Source: Global Footprint

more of us who all have to share a limited globe. In 2017, there are 7.5 billion people who share the 12 billion hectares of biologically productive land and water that exist on the planet. Thus, the increasing population puts pressure on us to use and pollute less.

Like Switzerland, Denmark's ecological footprint is larger than the biocapacity can tolerate. As specified in Figure 4, our footprint has been too large for more than 50 years. However, we now have the possibility to fit into a fitting, ecological shoe size. Since the turn of the millennium, our footprint has grown smaller. Unfortunately, we only have data up until 2012, and it is now important to do a follow-up.

How do we measure? The ecological footprint was developed by 'Global Footprint Network'. Every other year, World Wide Fund for Nature and Global Footprint Network issue the report 'Living Planet Report' in which the ecological footprint of various countries is stated.

We initially suggest using these statements while we concurrently work to develop a national and more detailed statement according to the Swiss model. We suggest that Statistics Denmark do the statement.

The ecological footprint is currently composed of six components: the built-up area, forests, farmland, grassland, fishing areas and the CO₂ footprint. The ecological footprint, however, should contain all aspects of our consumption and lifestyle - including things that are not currently calculated such as loss of biodiversity, plastic pollution and phosphorus emissions into the oceans.

Just as Switzerland currently inspires other countries through its work with the ecological footprint, it is the Alternative's goal for Denmark for Denmark to set a new standard in the area, thereby becoming an example to be followed internationally.



Indicator no. 4:

Waste as a resource



Are we recycling more or less waste in Denmark?

Indicator: Recycling is measured by the collected tones of waste for recycling, or by how big a percentage of our waste we recycle. Statements of tones of deposited waste and tones of burnt waste per capita should also be included. We measure progress or deterioration in biodiversity measured by natural capital by aggregating all data for municipalities.

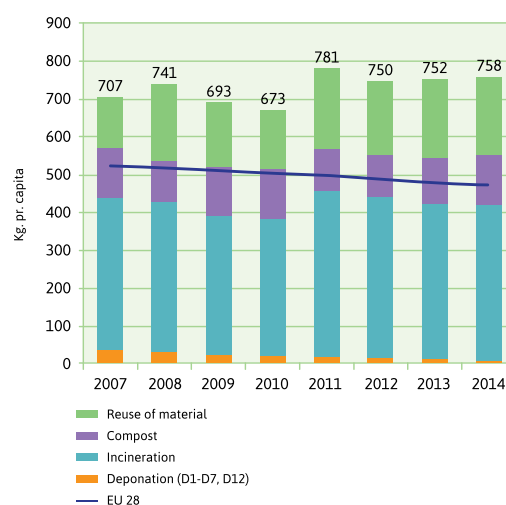
Large amounts of valuable resources currently end up being incinerated or deposited. When we want to avoid incinerating or depositing our waste, it is a matter of wanting to develop the circular society as well as a matter of climate impact.

For the past 30 years, waste incineration has been the preferred waste treatment form in Denmark. We currently have 27 waste incineration plants. That capacity is the primary reason why we do not recycle as much of our waste as we should. The greater part of our waste is incinerated, and compared to the rest of Europe, that makes us stand out in a negative way. There is a need to focus more on recycling, reuse and prevention¹⁶.

We should approach waste as a resource instead of as fuel, and that transition should happen rapidly. The ultimate aim is a society in which 'waste' as a concept - in the words of Flemming Besenbacher, chairman of board of directors for Carlsberg A/S – no longer exists¹⁷. That requires an entirely new infrastructure which can manage a nearly full recycling of all of our consumption. We need to convert from a linear use and throw-away society into a circular society.

WE STILL INCINERATE TOO MUCH

Figure 5: Municipal waste according to treatment type in Denmark



Source: 'Rapport om gennemførelse af miljøreglerne – Danmark', European Commission.

¹⁶ http://ec.europa.eu/environment/eir/country-reports/index_en.htm ¹⁷ https://groenomstilling.ervhervsstyrelsen.dk/sites/default/files/media/20151113_denmarkcasestudy_finalv02_1.pdf

A large part of legislation within the areas of waste/recycling does not see waste as a resource to be recycled but rather as a problem to get rid of. Waste is seen as something with a negative value. In reality, however, there is an enormous, unfulfilled potential in waste. We need to disregard depositing and incineration and look to recycling, reuse and waste minimisation.

Recycling currently accounts for 44 per cent of our waste management while 54 per cent of waste is incinerated. Thus, Denmark incinerates twice as much waste as other countries in the EU with an average of 27 percent. At the same time, Denmark has the largest amounts of municipal waste per capita. The EU average was 475 kilos per capita per year in 2014 while the figure in Denmark was 758 kilos¹⁸.

We need less waste. The share of waste that is incinerated must be reduced. The share of waste that is recycled must be increased. That is not the consumers' responsibility alone. Recycling requires for products to be produced so that they can be recycled and for waste to be sorted, collected and treated with a view to recycling.

How do we measure? Recycling can be measured by the collected tonnes of waste for recycling or by how big a percentage of our waste we recycle at the plants¹⁹. Incineration can be measured by how many tonnes of waste are incinerated. Statements of tonnes of deposited and tonnes of incinerated waste per capita are solid indicators which both have to be reduced. Thus, the indicator is based on statements of amounts of waste that is incinerated, deposited and recycled.

The ultimate aim is a life cycle-driven, circular society with full recycling of resources and residual waste close to zero. We therefore suggest setting targets year by year to gradually approach full recycling and no incineration. In a long-term perspective, our ambition is to measure by the share being recycled in percentage as well as by the tonnes that are being incinerated. In that way, we can monitor whether the situation is relatively improved and whether we recycle more and incinerate less in absolute terms. We also would like qualitative progress relative to the nature of recycling, but we measure quantitatively as qualitative progress will be a natural consequence of a higher rate of recycling.

Næstved is recycling

In Denmark, strong initiatives have been taken at a municipal level to increase the share of recycled waste. Næstved is an example of new thinking. Næstved municipality developed the idea of 'Resource City' to create green jobs and assist companies in developing new products from waste. The framework of the project is an abandoned, industrial building that used to house Maglemølle Papirfabrik (paper mill). The municipality is focusing on attracting innovative companies and providing inspiration for new ones to emerge. They may receive financial aid through a grant to which Næstved municipality and the Danish Environmental Protection Agency have contributed.



¹⁸ http://ec.europa.eu/environment/eir/pdf/report_dk_da.pdf. However, this is connected with the question of how to define municipal waste.

¹⁹ However, it does not necessarily say anything about the quality of the recycling. If we are to recycle more, we need far fewer xenobiotics in e.g. our plastic than is currently the case. Furthermore, recycling can be measured in many different ways, causing some insecurity across the EU as regards the recycling statements.

Indicator no. 5:

Fewer fossil-fuel subsidies



Does support for climate-damaging fossil fuels in Denmark decline?

Indicator: Statement on the annual, direct and indirect support to fossil energy. The indicator is in the black when support falls and in the red when support increases.

Fossil fuels that damage the environment receive heavy, economic support - also in Denmark. In order to actively work towards a society free of distorting subsidies that are harmful to the environment, we suggest calculating the size of the support that the Danish society provides to fossil fuels.

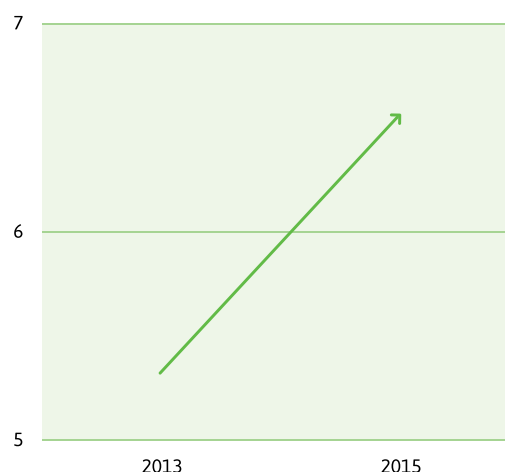
When we subsidise fossil energy while not pricing the socio-economic, additional costs of incinerating fossil fuels sufficiently, it becomes difficult to speed up greening to the extent necessary. When including the indirect costs of support to fossil energy, IMF computed that each Dane indirectly supported fossil energy with DKK 7,662 in 2015. That is more than in e.g. Finland, Holland, Norway and Sweden.

If we do not price the socio-economic, additional costs of fossil fuels - the externalities - we not only distort the market, it also becomes difficult to speed up greening to the extent necessary. Our economic instruments should reflect the fact that the fossil industry is dying and that we should actively support the transition into renewable energy. As a minimum, we should not actively support fossil fuels. We cannot continue giving artificial respiration to an outdated and polluting industry in the form of subsidies.

According to the UN's Intergovernmental Panel on Climate Change, three-fourths of the known fossil fuel reserves should stay in the ground in order for us to succeed in merely limiting global warming to two degrees. We therefore need a clear break with fossil support in all its varieties. Intense efforts are necessary, and far more money should be invested in greening. Subsidies to fossil energy should be removed. Globally, we currently support fossil fuels with approx. USD 500bn. a year. That is more than four times the amount with which we support renewable energy²⁰.

WE UNDERMINE GREENING

Figure 6: Denmark's subsidies to fossil energy in billions US\$



Source: IMF. The majority of global subsidies is due to energy taxes not reflecting the environmental consequences of conventional energy production.

²⁰ IEA World Energy Outlook, 2014-tal: <http://www.worldenergyoutlook.org/resources/energysubsidies/>

When including the hidden, indirect subsidies in the form of costs to environment, climate and health, which the fossil industry does not pay but which others have to bear, the total, global subsidies according to IMF, the International Monetary Fund, were 5,300bn. in 2015 - USD 5.3 trillion²¹. When including the bill in the form of health damage and climate changes, support to fossil energy is nearly multiplied by ten.

IMF assesses that if fossil fuel subsidies were removed and prices on fossil energy became more true and fair, fossil energy consumption could be reduced enough for global CO₂ emissions to be reduced by 17-24 per cent. According to Lord Nicholas Stern, professor at London school of Economics and in charge of several comprehensive climate change studies, the actual subsidies are even bigger than assessed by the IMF because climate costs are higher²².

How do we measure? By stating indirect and direct fossil subsidies when annually measuring the general development or the specific political initiatives, we get an idea of whether there is progress or decline in this area. At first, statements of indirect and direct subsidies can follow the International Monetary Fund's statements and can be requested in the ministries. In a long-term perspective, we seek to develop a comprehensive indicator to provide us with a general view of fossil subsidies in Denmark. We want figures for direct subsidies and the value of e.g. diesel discounts for farming, tax discounts for the oil-extracting company Mærsk and others to extract oil from the North Sea etc. We also want to identify indirect subsidies, for example in the form of health costs due to air pollution, which account for around DKK 39bn. annually in Denmark²³.

High global costs when using fossil fuel subsidies

According to the report 'Energy Subsidy Reform' from the International Monetary Fund from 2013, subsidies for fossil energy have far-reaching, economic consequences. According to the report, subsidies worsen fiscal imbalances, displace publicly prioritised investments and prevent private investments. Socio-economic costs due to subsidies to fossil fuels account for USD 1.9 trillion annually or 2.5 per cent of the global gross domestic product. 480bn. of these are direct subsidies while the remaining 1.42 trillion are indirect.



²¹ <https://www.information.dk/udland/2015/08/masser-stoette-fossil-energi-lande> ²² <https://www.information.dk/udland/2015/11/g20s-fossile-subsidier-fem-topmoeder-452-mia-dollar> ²³ According to the wise men's report from the Danish Economic Councils 2016. A significant part of air pollution is due to emissions in other countries. At the same time, emissions in Denmark lead to health costs in other countries. The most significant sources of air pollution are farming, road transport and individual domestic heating, including wood burners: <https://www.dors.dk/vismandsrapporter/oekonomi-miljoe-2016/kapitel-ii-luftforurening>

Indicator no. 6: Chemical impact



Is the chemical impact declining or increasing in Denmark?

Indicator: We measure by well-known chemicals, heavy metals, pesticides, endocrine disruptors and microplastics in the environment.

We have too little knowledge about most chemicals. Only a few thousands have been so thoroughly investigated that we can regulate them precisely and know the effects they have in permissible doses. As a result, we know very little about the combined impact of chemical substances, and in regard to the far majority of substances, we grope in the dark when regulating them.

The Alternative will work to introduce an indicator for the impact of chemical substances on people and environment. However, such an indicator is very complex and unreliable. Therefore, we have selected a number of priority areas for which there is a political and regulatory framework. The selected areas are:

Chemistry is on the loose

The current magnitude is 200,000 various chemical substances in circulation. They are widely different in function, use, distribution, hazard and mobility. In principle, chemicals can be anything - from iron, water and sugar to dioxin, strychnine and hexachlorobenzene. Chemicals affect all aspects of our lives, not least nature and environment. Some are absolutely necessary prerequisites to life - such as water and nitrogen. Others are artificial and mere products of the chemical industry. For a number of chemical substances, a certain amount is necessary and natural, but excessive use or supply creates an imbalance and is harmful. That is for example the case with nitrogen and phosphorus which are necessary to all life, but too large amounts will damage nature.

- Well-known substances that are already monitored in the national monitoring programme from DCE. Those are i.a. nitrogen dioxides, ammonia, POP compounds, carbon monoxide, sulphur dioxide, benzene, toluene and particle pollution - because these are very harmful to health.
- Heavy metals - because they cannot disappear or be converted in any way.
- Pesticides - because they have a heavy impact on nature.
- Endocrine disruptors and CRAN substances (carcinogenic, reproduction toxic, allergenic and neurotoxic) - because their impact on people and nature are among the most serious.
- Microplastics in the environment - because this environmental problem may become one of the biggest challenges of our time. There is currently no monitoring of microplastics.

There have been attempts to combine the impact of the many chemicals on nature, environment and people into one figure, but that has yet to make sense. That is why we operate with a division in the five chemistry categories mentioned above.

The Alternative seeks to reduce use of all chemicals in the five groups mentioned. By pursuing a policy that reduces the presence of harmful substances in Denmark's environment, the natural capital will increase, and expenses for pollution-related diseases will fall. Progress will be defined as an average lowering of the chemicals indicator, and with that chemical impact, while decline will be defined as an average rise in the chemicals indicator.

WAYS TO A GREEN BOTTOM LINE

In recent years, an increasing amount of economists around the world have started to challenge and rethink the role of economy. Traditional, economic textbooks used to teach about a closed flow of money among households, companies, banks and government - without describing the social and environmental context - but many new economists now have a more holistic view on society. They advocate for measuring by the sustainability of our overall economy rather than primarily measuring by economic growth.

The Alternative agrees that economy textbooks must be rewritten. Providing them with a green cover is not enough. However, we do acknowledge that it poses a huge challenge. We all would like to be able to spend more resources on welfare which unfortunately does not rhyme with limits for growth. The Alternative acknowledges that determining how much more growth Earth can 'endure' is a matter of interpretation. Our assessment is that all future wealth and welfare depend on an environment in reasonable balance and that we are currently quite far from that.

In order to achieve that balance, it is critical that we as society and world join forces to live more sustainably. Only together can we decide to invest in maintaining nature's resources. Only together can we create climate-friendly means of transportation and forms of energy to support the future. At this moment, Danes' ecological footprint is among the highest in the world, so we have a job to do.

The Alternative proposes a comprehensive audit of the green subsidy and tax schemes regulating consumption and production in Denmark. The price of products should be fixed by use of differentiated taxation on greenhouse gas emissions, land use, chemical pressure, rate of recycling, air pollution, state of the environment and possibly more parameters. It is comprehensive and restrictive - we acknowledge that, but it is quite necessary in order to guide consumption and production in a sustainable direction. Otherwise, we won't achieve our goal in time. For example, the Alternative would like

Doughnut Economics

In the book 'Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist', British Oxford economist Kate Raworth describes how economy should be a tool to make sure that we all live so that we all have enough to cover our social and human needs but do not consume so much that it affects the '9 planetary limits'. Raworth designed an economic model for these social and planetary limits which challenge logic in the prevalent growth economy and which may be a new compass to human progress this century. This excellent work resembles the Alternative's accounts on the Triple Bottom Line and is only one of many examples of why national progress is attempted balanced between wealth and human and environmental resources.

to impose a differentiated climate tax on the most burdening consumer goods such as meat, fossil energy, and air travel. Furthermore, we would like to make positive, economic incentives for the consumption of climate-friendly products such as electric cars, seasonal vegetables and solar cells. All of that will have a positive effect on our green indicators for the reduction of greenhouse gas, our ecological footprint and the elimination of fossil support.

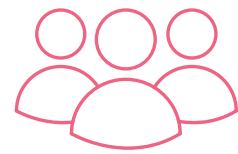
At the same time, we should arrange our infrastructure so that it becomes fully fossil-free and carbon neutral as quickly as possible. By 2040, we need to have converted our energy system to run on renewable energy sources such as wind, sun, water and geothermal heat. Our buildings and industry must be made energy-efficient. The last fossil car should be sold by 2025, and we need to develop a circular society in which waste is seen as a recyclable resource rather than ending up in an incineration plant. That will mean progress on all green indicators.

We also need to protect and significantly expand the new and unique breathing holes of uncultivated nature left in Denmark. This could be by expanding the extent of undisturbed forest, making protection zones for particularly vulnerable and valuable nature, creating connection between natural areas for biodiversity to increase and promoting nature conservancy in light, open areas. We will achieve 100 percent organic farming with no use of pesticides harmful to the environment or chemical fertilisers. Earth's ability to store carbon must be increased through the most modern and holistic farming methods. We want a far better monitoring and authorisation process for chemical substances in Denmark and the EU so that harmful chemistry will not constantly accumulate in our bodies, land and water environments. These initiatives would create a significantly positive progress on our main indicators for biodiversity, our ecological footprint and our greenhouse gas emission.

It is critical to the green bottom line that we radically turn the allocation of responsibilities and the informational burden between citizen and company upside down. To the consumer, the good, green choice must also be the easy choice. To the producer, wearing down social and environmental values in favour of increased profits should not even be a possibility. To the Alternative, a surplus on the green bottom line is about creating the right incentives for us to rise to the challenge together. Being green must be easy.



THE SOCIAL BOTTOM LINE



The current growth idea is based on material growth as the driver for people who are supposed to thirst for ever more consumption. This is not only problematic; it simply is no longer possible. Our concept of growth must be limited when it comes to material growth but expanded when it comes to cultural, social and human growth.

The political debate is too much about creating economic growth without relating to whether we as a society manage to translate economy into a higher degree of well-being, improved communities, meaningful lives and satisfaction.

We have instrumentalised fundamental social and inter-human relations to become more productive and competitive and to make the economy grow. The political system increasingly seeks to translate time, breaks and relations into money: The post-man's time to have coffee with the lonely; the students' time to fall in love and have adventures; the doctor's and nurse's conversations with patients. Public employees' time for social care has been streamlined and sought capitalised.

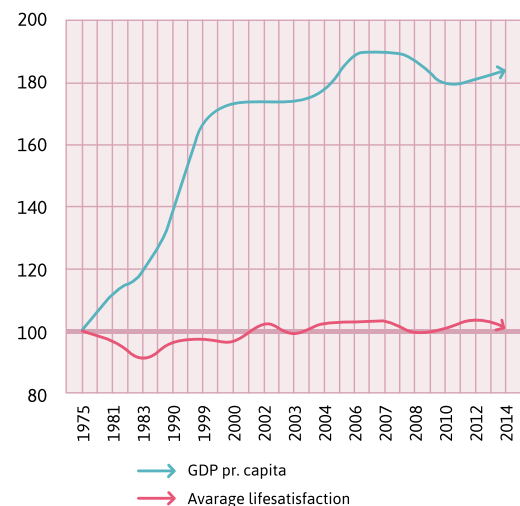
In the Competition State, we pressure each other and ourselves to chase the highest requirements, and we are measured by productivity. Economic rationality is driven into ever more areas of life. Play, creativity, care and breaks are considered conditions to be made more effective in order to create economic growth. In that way, we are in the process of creating a society that may have focus on welfare, but not on well-being.

The Alternative wants to head in another direction. We want to go from a Competition State to a Balance Society.

Obviously, not all streamlining, better productivity and increased competitiveness is bad. However, we lack nuances when assuming that economic growth is the same as progress without really considering if we as individuals and as communities experience more meaning, a greater sense of purpose, and a better everyday life. Too rarely, we take a critical stand on whether our chase for economic growth - and the way we choose to do so - might affect individuals and communities negatively.

WE BECAME WEALTHIER, NOT HAPPIER

Figure 7: GDP per capita and average life satisfaction in Denmark (index 100=1975)



Source: NANI, Statistics Denmark and World Database of Happiness.

Since 1975, we have nearly doubled our wealth in Denmark²⁴. We consume more, we have bigger houses, more cars and generally live more comfortable lives. Thinking that our lives keep on getting better would be natural.

However, we see a different picture when researchers measure by people's actual well-being - their satisfaction. Research shows that in average, we are approximately just as happy with our lives as we were in 1975²⁵ – in spite of the enormous growth in prosperity. The fact that we become wealthier but not happier is called the Easterlin paradox after the American professor who discovered that there was no link between the two²⁶.

In order to turn this development, we need to go from a Competition State to a Balance Society. We need to reject the economic growth ideology and the exaggerated individualisation of society in favour of a positive community that ensures balance within people and balance among people.

We need to focus on development in those areas that can provide us with a better impression of whether we as a society are moving towards more meaning, balance and purpose. We should be able to see if we are in the process of building a better and more functional community.

The following will describe the six indicators that we propose to follow in order to get an idea of the social bottom line of society:

THE SOCIAL BOTTOM LINE



LIFE SATISFACTION



FLOURISHING
COMMUNITIES



HEALTH



EQUALITY
AND DIVERSITY



POVERTY



DEMOCRACY
AND CIVIL RIGHTS



²⁴ Measured in GDP per capita, 2010 prices, chained values. ²⁵ World Database of Happiness. ²⁶ Easterlin, Richard (1974); "Does Economic Growth Improve the Human Lot? Some Empirical Evidence". Easterlin, a professor of economics at the University of Southern California, first argued in 1974 that while people with higher incomes were more likely to report being happy, this would not hold at a national level, creating an apparent paradox. He used data that showed that reported happiness was not significantly associated with per capita GDP among developed nations.

Indicator no. 1: Life satisfaction



Are Danes becoming happier with their lives, and are we increasing equality in life satisfaction?

Indicator: We monitor Danes' satisfaction with life by use of World Happiness Reports' statement on life satisfaction in the countries of the world. The statement will show whether citizens experience improved lives. We also monitor the (in)equality in life satisfaction as that is one of the major challenges in Danish society.

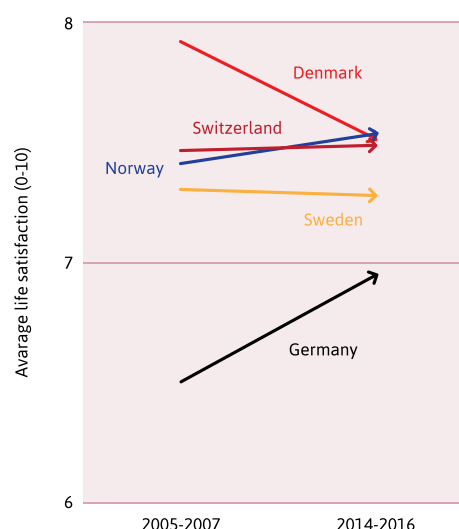
Denmark is known as one of the happiest countries in the world. Of that we are proud, and we have good living conditions in many ways. However, it is also an assessment that creates debate; unfortunately, there are also many people in Denmark who are not doing well. We experience challenges such as loneliness, depressions, stress, dissatisfaction with life, and self-harm, especially among the younger generations.

The fact that we are among the happiest countries in the world shows that, on average, we are doing better than other countries - it does not necessarily show if we are doing as well as we should and could. Because we could do better. 370,000 Danes often or always feel stressed²⁷. One out of five Danes is affected by anxiety during his or her life²⁸. 200,000 Danes suffer from depression²⁹. More than 600 Danes commit suicide each year³⁰. Another overlooked challenge is the high degree of inequality in the way we experience life satisfaction in Denmark. We cannot settle for an average figure if we want to have a society where everybody is included.

The most comprehensive research of Danes' satisfaction with life - the one that is used internationally to elect the happiest country in the world - also shows that Danes have become less satisfied since 2005³¹. In fact, Denmark is the North European country that has experienced the biggest decline in life satisfaction during that period. The Swedes are stable. The Norwegians are doing better.

DENMARK IS LOSING HEART

Figure 8: Life satisfaction in selected countries



Source: World Happiness Report, Sustainable Development Solutions Network. Average life satisfaction measured by the Cantril Ladder. Norway has now passed Denmark as the country with the highest life satisfaction, but the lead is no larger than the statistical insecurity.

²⁷ 'Danskernes arbejdsmiljø 2014' (Danes' working environment), National Research Centre for the Working Environment and figures from Statistics Denmark. ²⁸ Danish Mental Health Fund. ²⁹ Danish Health Authority. ³⁰ Centre for Suicide Research. ³¹ 'World Happiness Report 2016', The Sustainable Development Solutions Network.

That should give cause for more reflection and debate in Denmark. Our well-being is one of the corner stones in finding purpose in our lives. Some might even say that it is the very purpose of life. Still, there is hardly any debate concerning the reason that life satisfaction is on the decline in Denmark, or why it is so unequally distributed. The Alternative would like to change that.

Creating well-being and life satisfaction for our fellow human beings must be a main objective for an emphatic Denmark. We should not settle for a society in which life satisfaction on average is among the highest. We need to include everybody, and we should be able to see how we as a society are developing into something better. To the Alternative, it is more important to see Danes' life satisfaction grow than to see Danes' GDP grow.

As Denmark already scores very high on life satisfaction, we are not that interested in using this indicator to see whether we are the happiest country in the world or not, but we are interested in seeing whether our well-being is going up or down - for all parts of society. We therefore suggest a nuanced target for life satisfaction as an indicator on the social bottom line.

How do we measure? We propose measuring life satisfaction by simply asking Danes to assess how satisfied they are with their current life situation on a scale from 0-10. The measuring method is called the Cantril Ladder and is recommended by the OECD as the best way to measure experienced life quality. The study will show us how the average of Danes' answers develops over time. That makes it possible for us to monitor whether Danes generally experience a higher degree of satisfaction. However, measuring inequality in the answers and in the development of differences in groups of society is equally important. That will show whether all parts of society experience progress or whether we - as is currently the case - leave behind large groups with low life satisfaction.

Research in well-being

Through nearly half a century, researchers in psychology, economics, neurobiology and sociology have developed acknowledged tools to measure how well we are doing and what determines our well-being. Research can therefore provide us with an important input to assessing whether we as a society have the ability to create better frames to live good lives.

The advantage of asking Danes about their life satisfaction is that it is a democratic method. People themselves assess whether they are doing well or could do better. Experiments show that assessments of life quality match measurements on stress hormones and brain activity³². They show that each individual is the best suited to assess his or her own life quality.

The measurement of Danes' life satisfaction is summed up every year or every other year in the World Happiness Report. The report is based on figures from Gallup and is summarised by The Sustainable Development Solutions Network which is a network established by the UN in 2012.

³² 'OECD Guidelines on Measuring Subjective Well-being', OECD.

Indicator no. 2:

Flourishing Communities



Are Danes' sense of community and their social relations becoming stronger or weaker?

Indicator: We measure good relations with Statistics Denmark's account on how happy Danes are with their social relations and with European Social Survey's account on Danes' trust in other people.

Relations to other people are fundamental to our lives - close relations as well as relations to the rest of society. It is hard to imagine a society with no empathy. We as people have a right to feel and an obligation to show care, understanding and acknowledgement from and for our fellow human beings. The Alternative therefore suggests including an indicator of the strength of our relations to other people.

Relations across generations

Loneliness is a huge problem, especially among elderly people. At a nursing home in the Dutch city of Deventer, students are allowed to live for free at the nursing home as long as they spend 30 hours a month on social activities with the elderly people. The students watch soccer, celebrate birthdays and hang out with the elderly people. In that way, the young people bring life and impulses from the world to the elderly people's everyday lives.

That indicator would give us an idea of whether our sense of community is strengthened or not. We would be able to see if we strengthen the close relations that give purpose to life and shape us as people and as a society. We could assess the social cohesion of society and our trust in fellow citizens.

When looking at people's life quality, some of the biggest differences are found among people who have strong and weak social relations³³.

Hence, it is a problem that half of the Danes miss having more time with family or friends³⁴, that more than 200,000 Danes currently experience loneliness³⁵, and that we have less time and poorer quality in our close relations than previously³⁶. All of this affects our life quality.

As a society, we have a joint responsibility to correct these circumstances. Therefore, we should - as one of several means - have a shorter working week, allowing more time for personal development, creativity and being with family and friends.

Another aspect of our relations is the trust we have in other people. Sleeping children in prams in front of cafés and vegetable stands without supervision symbolise the trust that we are usually good at showing each other. We are the country in the world in which most people - nearly three out of four - believe that you can trust most other people³⁷.

³³ European Social Survey 2014. ³⁴ 'Vi savner mere tid med familien – eller gør vi?' (We miss having more time with family - or do we?), Politiken. ³⁵ 'Ensomhed i befolkningen - forekomst og metodiske overvejelser' (Loneliness among the population - prevalence and methodical considerations), Central Denmark Region. ³⁶ European Social Survey. ³⁷ European Social Survey 2014.

We need to maintain and develop that trust. A high degree of trust makes life safer and allows for a strong civil society. At the same time, we need less bureaucracy when we do not worry about other people trying to cheat us or take advantage of us. Leading economists specifically identify a high degree of trust as a key explanation to the success of the Scandinavian welfare society³⁸.

Among other things, trust results from us being a relatively economically equal society and experiencing less corruption. In that way, trust in other people is also related to trust in the political system and our institutions³⁹.

Although we are a trusting country in general, we should not take trust for granted. The rise in economic inequality as well as distrust towards the political system may weaken general trust. At the same time, trust has been stagnant since 2002⁴⁰. As opposed to the limited natural resources, it is within the nature of trust to give more the more we use. It is therefore important that politics incorporate trust as an independent focus - and not least that we do not undermine it with rhetoric, legislation and monitoring systems.

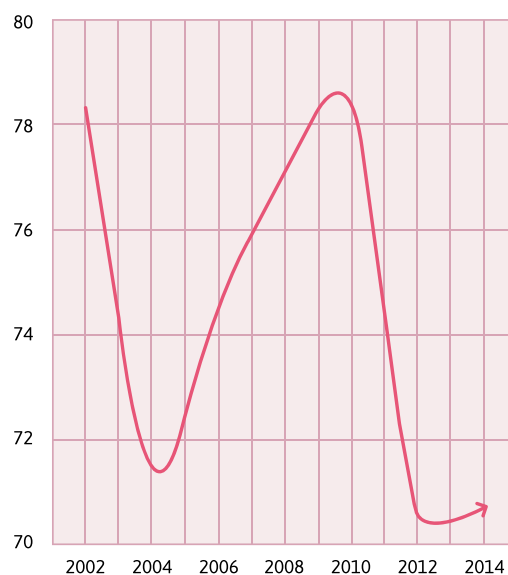
As a society, Danes have become worse at listening to each other with an open mind, putting ourselves in other people's shoes and associating with each other without fear and mistrust. More is about personal gain. More is about other people's mistakes. The rhetoric has become harsh: Unemployed people are doing nothing, immigrants freeload, public employees are lazy. When politicians speak of more control and stronger incentives, they really speak from a position of mistrust. The Alternative wants to break away from that view of human nature as it fully ignores what truly drives us as human beings: the search for meaningful contexts in which we can spend our time and energy; the need to feel appreciated and to make a difference - not least to others.

Trust works

13 British homeless persons who had lived on the streets of London for between four and 45 years were given a right of disposal of a personal budget of DKK 30,000. They were allowed to spend the money on whatever they felt would bring them closer to a permanent roof over their heads. Some bought mobile phones, others bought new clothes or went to the hairdresser. More than half of the participants of the project from 2015 then found a permanent residence. In average, the homeless persons even returned 70 per cent of their budget. The same model of trust is attempted in Aarhus municipality where 375 long-term unemployed persons received DKK 50,000 to spend on whatever they felt would help them find a job.

FEWER DANES WITH A RICH SOCIAL LIFE

Figure 9: Percentage of the population who sees family, friends and colleagues one a week or more



Source: European Social Survey. Question: 'How often do you meet up with friends, family and colleagues?'

³⁸ 'Tillid' (Trust), Geert Tinggaard Svendsen 2012. ³⁹ European Social Survey 2014. ⁴⁰ European Social Survey.

How do we measure? There are two existing methods which can be used to estimate whether we as a society are able to create a better framework for social relations and communities.

First and foremost, we will follow Statistics Denmark's survey in which Danes are asked: 'How happy are you with your social relations on a scale from 0 to 10, 0 being the least happy and 10 the most?' The question covers the amount of social interaction as well as the quality of the time spent together. We use that indicator to find answers to whether we as a society have more care and consideration towards each other.

In 2015, Danes' average answer to the question was 7.6. That seems high, but at the same time, 40 per cent of the Danes' answer to the question was medium or low (0-7). Some of these people are recurring in the 9.1 per cent of Danes who, according to European Social Survey 2014, see friends, family or colleagues once a month at the most - a figure that has been increasing since 2008. These figures of the frequency of social interaction and loneliness may be used in more detail to monitor what underlies the development in satisfaction with social relations.

Trust can be measured by use of the European Social Survey's question: 'Do you believe that most people in general can be trusted, or can you never be too careful when dealing with other people?' In 2014, the average of that question (scale from 0-10) was at 6.8 for Danes - the highest in the European countries that are part of the European Social Survey. However, one-fourth of the population's answer to the question was 5 or below. We would like to reduce that share.



Indicator no. 3: Health



Do Danes have a better health?

Indicator: To estimate Danes' health, we use the European Social Survey's account stating whether Danes themselves feel limited in their daily activities due to protracted illness, handicaps, weakness or mental health problems.

One of the most important factors to our life quality is our health. Research shows that we find it particularly distressing when we feel pain in everyday living or when we are limited in personal development due to mental or physical health⁴¹.

Lifestyle diseases and mental disorders affect Danes in all social classes. In 2014, more than one-fourth of Danes answered that to some or to a high degree, they feel hindered by health issues in their everyday living. That puts Denmark in the middle of the field of European countries together with i.a. Hungary and the Czech Republic. Unfortunately, the trend is clear: our health is deteriorating.

Some of these issues are treated the best in the current healthcare system, but we should look a lot more into the potential of complementary and alternative treatments.

Furthermore, we should consider our health as something that is influenced by and should be secured by all sectors of society - and not simply be solved in the health sector when things have gone wrong.

Preventive measures must already be implemented in the day-care centers, kindergartens and primary schools, and should be particularly aimed at children and young people considered part of a risk group. Healthy dietary and exercise habits do not appear on their own but is something that should be given to our children from an early age.

More can be done in terms of prevention in adulthood as well. Our working lives should be much more characterised by a good working environment and less by stressful competition. Our family lives should not be characterised by absent and burnt-

OUR HEALTH IS DETERIORATING

Figure 10: Percentage of Danes who feel restricted in their everyday living due to poor health



Source: European Social Survey. Question: 'Are you in any way restricted in your daily activities due to protracted illness, handicaps, weakness or mental health problems?'

⁴¹ European Social Survey 2014.

out parents. Nature, art and culture should be considered something that creates mental peace and balance. In short, we should help Danes have the possibility of personally preventing health problems.

Poor health is an obvious social imbalance. The poorest Danes suffer from several illnesses and die earlier than others. Last year, the Danish Broadcasting Cooperation documented the difference in life expectancy and standard of living between the rich and the poor Danes who live a mere seven kilometres apart in Aalborg. In the eastern part of Aalborg, the average life expectancy equals that of people in Pakistan⁴², which is an average of 13 years shorter than people in Hasseris - the richer part of Aalborg.

Therapy sanctuary for veterans

One out of ten deployed Danish soldiers returns home with a mental disorder. In Slagelse municipality, a group of soldiers formed an association for war veterans in order to improve their life quality by use of nature. The association personally built and run what is now the country's largest therapy sanctuary for veterans. Work in the sanctuary provides content in life and the possibility of relaxing in nature.

Economically vulnerable persons generally have more social problems and live more unhealthy lives - especially when it comes to smoking and alcohol⁴³. Among other things, it is therefore important to have a functional welfare state capable of treating and preventing. The Danish welfare state traditionally provided us with that security but is threatened with i.a. cost-cutting requirements for the municipalities and extensive documentation requirements.

The Danish health service system cannot handle all social and health challenges on its own. We have to think in new, social models. The Alternative sees a big potential for better and more equal health in what is called the 4th sector companies. The word covers innovative companies that may come into existence in the crossover between the public sector, the private sector and NGOs. They are run on market economic premises but with a view to social purposes. We need to support companies like these in order to supplement public welfare and help improve our mental and physical health.

How do we measure? In order to measure whether we are capable of improving our health, we propose using the European Social Survey's question: 'Are you in any way restricted in your daily activities due to protracted illness, handicaps, weakness or mental health problems?' The question covers physical illnesses as well as mental disorders that limit the fulfilment of life's potential for the individual.



⁴² <https://www.dr.dk/nyheder/indland/grafik-i-aalborg-oest-doer-de-lige-saa-tidligt-som-i-pakistan> ⁴³ Danish Ministry of Health.

Indicator no. 4: Poverty



Is the number of poor people in Denmark increasing or decreasing?

Indicator: We measure poverty according to the previous government's poverty line. According to that, you are classified as being poor if you have an income less than half of the median income and assets less than DKK 100,000 for three consecutive years. The goal can be supplemented by statements on how many people face material privation.

The Alternative believes that the Danish society is fundamentally wealthy but that we distribute that wealth wrongly. The challenge is not a lack of wealth but the fact that more and more children and adults face severe material privation⁴⁴.

It might seem instinctively correct that earning more will result in better lives; and there is a connection between wealth and quality of life. Wealthy countries generally have higher life satisfaction than poor countries. Internally in those countries, wealthy people experience more well-being than poor people⁴⁵.

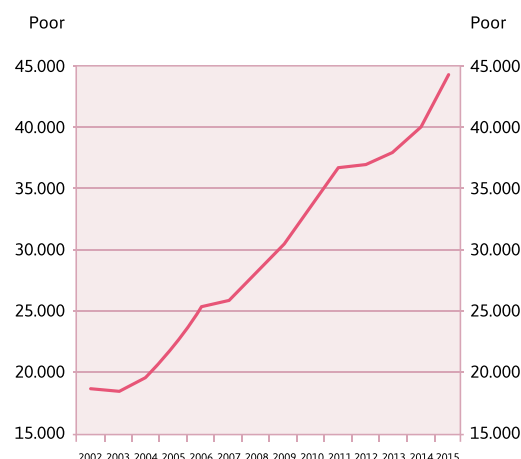
But - and this is a huge 'but' - increased wealth only improves our well-being to a certain extent, and only subject to certain conditions. Research shows that when countries and people reach certain levels of wealth, the connection between further increased wealth and further increased life satisfaction disappears⁴⁶.

The explanation is that economic growth goes to the ones who are already well-off. Their life satisfaction is not particularly influenced by having even more money in their hands. Therefore, economic growth will not automatically improve our quality of life as individuals and society.

Wealth does not automatically make us happy: economic security does. To the majority of the Danish population, economic security is one of the most important factors to our quality of life. Traditionally speaking, it is one of those areas where we have done well in Denmark. Actually, that is part of what made us one of the countries with the highest quality of life in the world⁴⁷, but unfortunately, we are moving in the wrong direction with increasing inequality. While the wealthiest Danes have become

POVERTY EXPLOSION IN DENMARK

Figure 11: Number of Danes who fall below the Danish poverty line



Source: 'Flere fattige og udsigt til stor stigning' (More poor people and a risk of a huge increase), the Danish Economic Council of Labour Movement.

⁴⁴ Eurostat. ⁴⁵ 'Will money increase subjective well-being?', Biswas-Diener & Diener. ⁴⁶ 'Will money increase subjective well-being?', Biswas-Diener & Diener. ⁴⁷ 'The Danish Effect: Beginning to Explain High Well-Being in Denmark', Biswas-Diener, Vittersø & Diener.

much wealthier since 2002, the poorest become poorer⁴⁸. The group of Danes below the Danish poverty line has grown rapidly since the turn of the millennium⁴⁹. That is of great significance to the people affected. Nearly 80 per cent of the Danes that are poor according to the Danish poverty line face privation such as not seeing the dentist or not buying medicine because they can't afford to⁵⁰. Research in well-being shows that being poor is of great, negative significance. Not being able to manage on the current income is one of the factors that cause the biggest variations in our life satisfaction⁵¹.

The group of Danes with the greatest economic insecurity thus has an average level of life satisfaction equal to that of Hungary, Portugal and Lithuania - the European countries with the lowest, national average⁵². Unfortunately, that group of Danes have been ever growing since 2004. That is a significant part of the explanation that we as a society have not improved our well-being for the past 40 years.

We cannot accept that any Dane lives with such economic insecurity. It is particularly unacceptable that children grow up in poverty. Children who are unfortunate enough to be born into poor social conditions face more privation than children who are not poor when it comes to e.g. participating in leisure activities which contributes to social isolation⁵³. Growing up with such privation will leave its mark for the rest of their lives. Children whose parents receive cash benefits or early retirement benefits have a significantly higher risk of ending up without education and employment - excluded from many of the important communities⁵⁴.

The Alternative therefore proposes an indicator for the number of Danes who fall below the poverty line, which the previous government (Social Democrats, Danish Social Liberal Party, Socialist People's Party (Denmark)) chose to implement. Development within that indicator demonstrates if we as a society are able to help the most vulnerable people gain better lives with more economic security. It requires us to deal with social problems straight from childhood, during which period the most cases are lost. No better investment can be found - economically or socially.

How do we measure? We propose using the poverty level introduced in 2013 to measure poverty in Denmark. According to that, people are classified as being poor if they have an income less than 50 per cent of the median income and assets less than DKK 100,000 for three consecutive years - and are not students⁵⁵. A lower income makes it very difficult to make ends meet and to afford necessities which a citizen in a wealthy country should be expected to be able to afford - medicine, gifts, clothes etc.

Poverty is expensive

In addition to the human consequences, poverty in society also accounts for a huge, economic problem. 8.2 per cent of a year group currently live lives excluded from communities. That is stated in a report which researchers from Copenhagen Business School published in 2014.

In other words, 1 out of 12 children currently born in Denmark will live a life outside of the principal communities of society, characterised by addictions, significant mental issues and/or more or less permanent unemployment.

Knud Aarup from Socialpolitisk Forening (socio-political association) estimates that close to 200,000 Danes of working age could manage on their own if they had received proper social help in time. In addition to the human consequences of poverty, it costs society approx. DKK 45bn.

⁴⁸ 'Ulighed: De fattigste danskere er blevet fattigere' (Inequality: The poorest Danes have become poorer), the Danish Economic Council of Labour Movement. ⁴⁹ 'Familiernes økonomi - fordeling, fattigdom og incitament 2014' (The economy of the families - distribution, poverty and incentives), the Danish Ministry for Economic Affairs and the Interior. ⁵⁰ 'Danmark på Fattigdomskurs' (Denmark headed towards poverty), the Danish Economic Council of Labour Movement. ⁵¹ European Social Survey 2014. ⁵² European Social Survey 2014 ⁵³ 'Danmark på Fattigdomskurs' (Denmark headed towards poverty), the Danish Economic Council of Labour Movement. ⁵⁴ 'Den sociale arv tynger Danmark' (The social inheritance is weighing on Denmark), the Danish Economic Council of Labour Movement. ⁵⁵ Definition and method to calculate is available in 'Familiernes økonomi - fordeling, fattigdom og incitament 2014' (The economy of the families - distribution, poverty and incentives), the Danish Ministry for Economic Affairs and the Interior.

According to the Danish Economic Council of Labour, close to 45,000 Danes fell below that poverty line in 2015⁵⁶. That is more than a doubling since 2002. When adding up how many fall below the poverty level for only one year, the figure in 2015 rose to just below 170,000 Danes - also far more than in 2002.

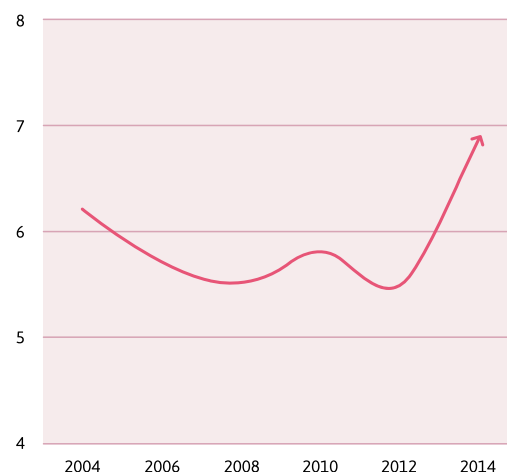
The Venstre government chose to do away with the poverty level but explained in a response to the Danish Parliament that the poverty payments introduced⁵⁷ would push another 11,800 - including 7,000 children - below the poverty level of the previous government⁵⁸. That is nearly a doubling of child poverty in Denmark and should generally be considered a conservative estimate. Merely 6 months after introducing the cash benefit limit, more than 62,000 children and their families had been affected⁵⁹.

The Danish poverty level shows whether there are more or fewer people doing very poorly. However, the measuring method has its limitations. For example, it does not include many people who could be categorised as being poor or who are in the risk zone of ending up in that category, i.e. because measurements are made over a 3-year period. The Danish statement on poverty could therefore easily be supplemented by the measuring method which Eurostat (EU's statistical office) uses. It defines the extremely poor category based on how big a part of the population face privation and, for example, find themselves not being able to pay rent, heating or unforeseen expenses. These figures show that Denmark ranks first on poverty in the Nordic countries. Eurostat is assessing that 3.7 per cent of Danes in 2015 lived in 'extreme poverty' - only 0.7 per cent did so in Sweden.

In addition to that small group of extremely poor people is a somewhat larger group of 'severely economically disadvantaged'. The most recent figures from the European Social Survey 2014⁶⁰ show that 6.9 per cent of Danes find it 'difficult' or 'very difficult' to manage on their current income while 27.8 per cent of Danes 'make ends meet' but without 'doing well' on the current income. That is an increase since 2004. Eurostat's figures also show that as much as 17.7 per cent of the Danish population are in the risk zone of ending up in poverty or of being socially marginalised.

MORE PEOPLE ARE NOT DOING WELL

Figure 12: Percentage of Danes who find it difficult or very difficult to manage on their current income



Source: European Social Survey. 'Which description on this chart matches your view of your current household income the most?'
Answers: 'Doing well', 'make ends meet', 'find it difficult', 'find it very difficult'.

⁵⁶ 'Flere fattige og udsigt til stor stigning' (More poor people and a risk of a huge increase), the Danish Economic Council of Labour Movement. ⁵⁷ Kontanthjælpsloft, 225-timersregel og integrationsydelse (cash benefit limit, 225-hour rule and integration allowance).

⁵⁸ <http://www.ft.dk/samling/20151/almindel/fiu/spm/30/svar/1323463/1631443.pdf> ⁵⁹ <http://www.dr.dk/nyheder/politik/62000-boern-blev-ramt-af-kontanthjaelpsoftet-sidste-aar> ⁶⁰ Several of the indicators for the social bottom line are made up by the European Social Survey. The government chose to not allocate funds to Denmark being part of the European Social Survey's next wave of data (for 2016) and also chose to no longer measure poverty in Denmark. Therefore, some of the results on each indicator might not be available in the future. It is a political choice that constitutes a serious problem for anyone seeking to measure development in Denmark by important parameters such as poverty, trust, discrimination and social relations. The Alternative wants to secure means to do the European Social Survey in Denmark and measure by i.e. poverty. In the meantime, we will try to find other sources for any lacking figures on the chosen indicators.

Indicator no. 5:

Equality and diversity

Are levels of equality and inclusion increasing or decreasing for everyone in Denmark?

Indicator: We use the European Social Survey's statement on Danes' sense of belonging to a group discriminated against as basis, but propose that Statistics Denmark prepare a broader target.



A socially sustainable society is a coherent and diverse society. There is much talk of 'the cohesion of society', and that is an important debate - not least because everybody agrees that cohesion is important while there is some disagreement as to what cohesion is and how we secure it.

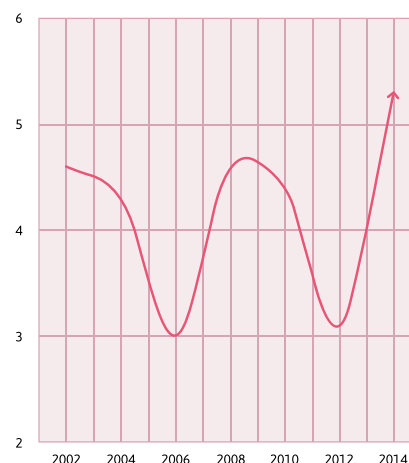
People's diversity makes the world an interesting place. Diversity makes us curious, drives us and makes us creative. It allows everyone to be the persons they are - regardless of gender, colour, belief or sexual orientation. We should always scrutinise and challenge 'the concept of normal' to ensure that we do not end up safeguarding the privileged people's positions and oppress minorities, knowingly or unknowingly. Cohesion is made up of our common norms and our curiosity and openness to let them be challenged.

The Alternative is working for equality of all minorities and groups that experience discrimination and differential treatment - socially as well as structurally, formally as well as informally. Equality is a key target for a society in social and human balance.

Just as discrimination is destructive to society, it ruins the individual person to experience a lack of acknowledgement. Everybody - regardless of their backgrounds - should be free to develop their zest for life and their potential without restricting others. It is therefore important that we can be equal, but different.

MORE PEOPLE FEEL DISCRIMINATED AGAINST

Figure 13: Percentage of the population of Danes who feel that they are part of a group discriminated against



Source: European Social Survey. Question: 'Would you describe yourself as belonging to a group that is discriminated against in Denmark?'

How do we measure? Equality can be measured in several ways, each contributing with a stance on whether people as individuals feel heard and acknowledged. The European Social Survey asks whether people belong to a group discriminated against. The question allows people to personally assess whether they feel fairly treated or not, and the question covers discrimination of anything from religious minorities and ethnicities to transgender people. In 2014, 5.3 per cent of Danes answered that they felt discriminated against. That is the highest level for more than a decade.

However, it is uncertain whether the question in practice captures everybody feeling discriminated against. We therefore propose that Statistics Denmark ask Danes how many have felt discriminated against due to ethnicity, religion, sexual orientation, gender, age or social background. The Alternative believes that there is a need to develop a better index for equal opportunities and equal status in Danish society.



Indicator no. 6:

Democracy and civil rights



Is the Danish democracy becoming stronger or weaker?

Indicator: We propose that Statistics Denmark develop a national index for the democratic development. The index can be based on various statements on the strength of our democratic processes, civil rights, trust in democracy and citizens' legal rights.

Trust in the system and in the people leading society is important to a sustainable society.

In general, Denmark scores highly in international surveys of the degree of democracy and civil rights in each country. We have a high degree of voter participation, a low degree of corruption and good civil rights.

However, there are more aspects than merely the formal and legal aspects to consider. For example, formal conditions do not say much about the legitimacy and trust in the system and politicians: A condition that is generally very central. For example, Denmark has big challenges due to diminishing trust in politicians, and in recent years, Denmark has witnessed a number of political and administrative scandals that have created distrust and frustration among the population.

Eurostat's most recent statement of trust in the Danish political system from 2013 indicates that Denmark ranks number three in Europe - third only to Switzerland and Finland. Still, our average is relatively low. When assessing trust in the political system on a scale from 0-10, Danes in average answer 5.9. Trust in the system is low in general, but trust in politicians is downright diminishing⁶¹. In 1994, one out of ten Danes had 'very little' trust in politicians. At the end of 2015, that figure had increased to nearly one out of four.

Another aspect of Danish civil rights is citizens' legal rights and their encounter with the administration. Danish legislation, bureaucracy and administration may also violate, discriminate and fail to appreciate us as persons.

DIMINISHING TRUST IN POLITICIANS

Figure 14: Trust in politicians



Source: Ugebrevet A4. Question: 'How much trust do you have in Danish politicians in general?'

⁶¹ http://www.ugebreveta4.dk/danskernes-tillid-til-politikere-er-forsvundet_20331.aspx

Franz Kafka's novel 'The Trial' is an example from the fictive world that is often used to describe how the system can drive people mad because of the lack of acknowledgement, incapacitation and the lack of possibilities to influence your own case. Such an experience may occur anywhere in the system - from construction projects to deportation cases. The citizens' legal rights are under pressure these days. Among other things, the social area is challenged⁶². The immigration area is under pressure as well due to differential treatment and a lack of respect for human rights and international conventions.

During the last decades, Denmark has built a bureaucratic system which many citizens find alienating and distrustful. Distrust is particularly aimed at the most vulnerable groups that do not have the resources to influence their own cases. Therefore, those who are worst off in society also have the least trust in the system in place to help them⁶³.

It is most obvious in the social and employment area, where citizens experience not being offered the help they are entitled to, due to control, distrust and faulty legal rights. Public management with its rigid standards and target figures is also seen as 'Kafkaesque' when no social worker, nurse, teacher or citizen can see the purpose of a task, rule or decision but has no possibility of influencing any of it. The feeling of not being seen or directly discriminated against may cause people to 'become stressed or sick due to their encounter with the administration', which is how vice-president Thorkild Olesen, Danske Handicaporganisationer (Danish Handicap Organisations) has phrased it⁶⁴.

The Alternative will create a far more open, transparent and involving, democratic society. Civil rights, equality of treatment and legal rights are critical. Development of democracy is therefore a separate political area to us. The finance bill should allocate resources to a 'Centre for Development of Democracy'.

How do we measure? Democracy is complex and is not something that can be defined using one figure. In continuation of our proposal to create a Centre for Development of Democracy, we therefore propose that they or Statistics Denmark receive means to establish an actual democracy index for Denmark. Each year, the index should assess development in the Danish democracy by combining measurements for democratic processes, civil rights, trust in the system and politicians and legal rights.

Until that has been prepared, we will use the OECD Better Life Index' targets for involvement in democracy. The index combines voter turnout rates and targets for involving citizens in developing legislation. While Denmark is doing fine in terms of voter turnout rates, the country ranks number 18 in the OECD on the latter parametre⁶⁵.

Denmark on a watch list

We cannot necessarily take democracy and civil rights for granted. Thus, the acknowledged American democracy organisation Freedom House assesses that democracy and civil rights globally have declined for 11 consecutive years since 2005. According to Freedom House, Denmark has also witnessed deterioration of democracy and civil rights. In 2017, the organisation put Denmark on a list of countries to be watched with specific concern - among other things due to the many tighter immigration laws and the many declarations within the immigration area.

⁶² <https://www.dr.dk/nyheder/indland/se-kortet-disse-kommuner-begik-flest-fejl-i-sagsbehandlingen> og <https://www.dr.dk/nyheder/indland/borgere-mister-oftere-stoetten-fordi-kommunen-laeser-loven-forkert> ⁶³ Statistics Denmark. ⁶⁴ 'Danskere bliver psykisk syge af den kommunale sagsbehandling' (Danes get mentally ill due to the municipal case work), Ekstra Bladet ⁶⁵ <http://www.oecdbetterlifeindex.org/topics/civic-engagement/>

WAYS TO A SOCIAL BOTTOM LINE

The Alternative wants a break with the competition state and the growth ideology that leads us into a stressful and unhealthy chase for more material wealth. It takes a lot of work for all of us to unite in changing our culture. Although it is hard, we have to lower the constant and impossible demands on each other and ourselves. At the same time, we should politically ensure balance and space for anything that really matters in our lives: communities, relations, experiences and personal development. Our goal is to ensure the best possible framework for meaningful and healthy lives - body and soul.

In this context, an important step is to move towards a shorter and more flexible working week with time for all of the meaningful activities that we currently end up having to sacrifice much too often in our stressful everyday lives. That will - at least in the short term - constitute an economic challenge. However, we do believe that we should prioritise more balanced lives. In order to obtain the best setting for a balanced everyday life, the Alternative proposes initiatives for better prevention of stress and extended maternity leave - also paternity leave for men - and we are looking forward to discussing even more suggestions of ways to create the best conditions for more meaningful lives.

We have tried to create a good framework for physical health, i.e. by increasing fees on tobacco, alcohol and unhealthy foods such as sweets and soda, while also lowering fees on healthy goods such as fruits, vegetables and nuts. Our mental as well as our physical health is threatened, and that applies to all social classes. However, not all social classes can afford treatment due to user's fees on e.g. psychological therapy, fertility treatment and dental treatment. We would like to change that although we acknowledge that it constitutes yet an item for a healthcare system already under pressure.

We need time for the people we care about, and we need to trust in all the people we do not know - regardless of their colour, religion or sexual orientation. We are seeking to incorporate ways to ensure that trust into our policy. This will have an impact on the way we think of politics, from education, employment and social policy to law, health and economics. The Alternative suggested introducing a subject on citizenship at primary school. As for economy, we want to reduce inequality. As for the cash benefit system, we want to do away with control and coercion of the unemployed. As for housing policy, we want to oppose ghettoisations of any kind. The Alternative is working towards bringing people closer to each other across all social divides.

Time for what really matters

In the Danish marketing company IIH Nordic, all employees leave for the weekend on Thursday afternoon as the company introduced a permanent four day working week. 'We already receive a good salary, and the balance between my private life and working life is important. I would prefer being here where I can have both rather than some place where I might get paid DKK 5,000 more but where I don't have a four-day working week', says Mette Kjølborg, employed by IIH Nordic. Although the change meant some initial expenses, the company subsequently had a record turnover with an increase of 20 per cent.

The most well-known example of a company who was successful in introducing a 30-hour working week is the car repair shop Toyota in Gothenburg. They have had a working week of 30 hours with the same pay as before for more than 10 years. That meant an increase in production of 25 per cent, reduced dead time, fewer complaints, higher efficiency, more customers, more employees and easier recruitment. But even more importantly: In Gothenburg, employees are doing better. They are less sick, have more energy and do not fear attrition the way they used to. The time off is spent on obtaining a more balanced everyday life with time for family and friends.

Just as we need to grow trust in our daily relations with people, the system needs to show trust in the people for whom it exists - especially those who have the hardest time. We, the Alternative, therefore work to remove the tyranny of rules and control in the employment system and introduce basic income. In the social system as well as in the asylum and integration system, we also work to obtain a far more individual approach to tasks and work. For example, we need to ensure that uniform efforts are not a goal in their own right, a trend seen in recent years.

If the system shows trust in its citizens, it will in return contribute to re-establishing trust in the system. Full transparency regarding political support and citizen involvement, such as citizen-driven proposals, will contribute to creating a fair and efficient political system.

However, trust between the citizen and the system is not enough to remove the material poverty that creates insecurity and that exists all over the country. Way too many children and adults face big, economic privation. Among other things, the Alternative proposes the establishment of social investment funds, free access to healthcare benefits and removing the integration allowance, cash benefit limit and the 225-hour rule. We also want to introduce social tax exemption cards for socially vulnerable groups.

The task of ensuring a better, social bottom line cannot be handled without help from non-governmental actors and private individuals. Civil society must be incorporated into political solutions, for example in new fourth sector models that combine the best aspects of the voluntary sector, the private sector and the public sector in socio-economic companies. Civil society will have a key role in the shift from Competition State to a Balance Society.



THE ECONOMIC BOTTOM LINE



The economic bottom line is one of several important elements in the account of progress in society. However, an economic indicator such as GDP will never give a complete picture of the actual social development. The GDP of a nation can easily increase, and the increased prosperity will benefit fewer people, and nature and climate will deteriorate. It has been that way for decades. The economist Simon Kuznets, who developed GDP for the American congress in 1934, directly warned against using growth in GDP as a target for progress in society.

The economic activities in society affect our working lives and the possibility of meeting material needs. However, economic growth is not a goal in itself. Sound socio-economics enables social efforts and ventures in education, health, nature, environment and climate. The Alternative is working to ensure sound socio-economics that makes room for investments in freedom, in the future and in the interest of community. The goal of the economic policy pursued should therefore be to create welfare for the population and the common good without harming the environment. In the Competition State, the citizen is working for the economy. In the Balance Society, the economy is working for the citizen.

Therefore, the following will present six socio-economic indicators that show better than GDP whether the economy is working for the common good. These indicators have been selected because they present an accurate picture of whether the economy delivers on the most important factors for social and human welfare.

Obviously, there is a connection between political goals and the conditions by which we want to measure. The Alternative's political ambition is to convert our society into a sustainable and socially strong society, and the indicators have been selected accordingly. However, neither politics nor economics are exact sciences, and we are looking forward to the debate and to being challenged on the indicators we are presenting.

THE ECONOMIC BOTTOM LINE



MEANINGFUL
EMPLOYMENT



EQUALITY



INVESTMENT
IN THE FUTURE



FINANCIAL STABILITY



PROFESSIONAL
QUALIFICATIONS



PUBLIC BUDGETS IN A
LONG-TERM BALANCE



Indicator no. 1:

Meaningful employment



Is there progress or decline in the amount of meaningful employment in Denmark?

Indicator: Statistics Denmark adds up the ordinary employment which can be combined with the quarterly labour market survey in which the quality of employment is clarified.

Having a job is valuable - in economic and human terms. Employment gives access to social communities which may increase the individual person's zest for life and possibilities of personal development. Employment is one of several ways to contribute to the community which is a fundamental human need, in the Alternative's opinion. Employment is also important to each person's self-image, especially in today's society. At the same time, employment contributes to each person's economy and to improved public finances.

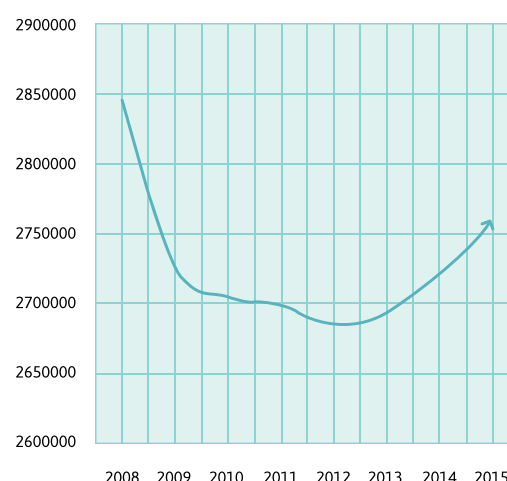
We therefore propose to include an indicator for employment. However, it is necessary to rethink what we mean when we say employment.

First and foremost, it is important that employment is secure and provides a salary income that matches the work performance. As a minimum, the salary should cover the living expenses that are associated with dignified living in Denmark today. In order to ensure fair working conditions, the Alternative supports 'the Danish labour market model' in which salary and industrial relations are secured through collective agreements. Therefore, the Alternative would like for the entire labour market to be covered by collectively negotiated agreements that ensure proper salary and working conditions for all employment. This may contribute to removing pockets of underpaid employment, unreasonable working conditions and social dumping.

New technology and artificial intelligence will render thousands of jobs superfluous in a few years. The social and environmental challenges we are facing require inventive thinking. We need to divide existing work better and ensure far more floating work forms. That is one of the reasons that the Alternative supports a shorter working week.

EMPLOYMENT ON THE WAY UP

Figure 15: Number of Danes in employment



Source: RAS300, Statistics Denmark

To a higher degree, shorter working hours and basic income would allow people to contribute to society in the sense they find it most meaningful - for example through voluntary work which is an activity beneficial to society and which is not normally included in employment statements.

Employment is good business

As a rule of thumb, 10,000 additional employed persons will enhance public finances with DKK 2-3bn.

A job might be ever so secure and well-paid but still be experienced as deeply meaningless. In that situation, the job will drain the employee rather than contribute to a good life. The goal should therefore not simply be 'employment' but 'meaningful employment'.

In the Competition State where everything is ultimately about economy, the requirement of 'meaningful employment' is seen as provocative and spoiled. Whether the job makes sense or not is irrelevant, as long as people are employed and contribute to GDP. In the Balance Society, the basis is different. Here, the economy is subject to people's needs. To each person, work is not just about money but also about purpose. To feel that there is purpose in what people do contributes to health and productivity. At the same time, people often experience meaningful employment in trades that contribute positively to the community. Therefore, the requirement of 'meaningful employment' is not an expression of pampering but emerges from the fact that the Alternative takes people's needs deeply seriously, and tries to organise politics and society accordingly.

How meaningful a job is depends on many aspects. The same job can be seen as meaningful or meaningless, depending on how each individual person perceives it. In order to find out if a job is meaningful, we would therefore have to ask each individual person.

At the same time, it is important to expand the common idea of employment and of the aspects that create value to our society. It is not only the work for which payment is made that creates value; voluntary work very much does so as well. Often, voluntary work creates the most purpose to each individual and the most value to society⁶⁶.

The fact that society today no longer has focus on voluntary work is an example of the way that the unilateral target of a higher GDP made us visually impaired, if not blind. As voluntary work is not included in GDP, politicians and the press ascribe less importance to voluntary work than to paid employment. If unemployment rises, there will be a huge debate. If voluntary work decreases, it will barely be noticed.

How do we measure? There is no unambiguous definition of 'meaningful employment'. Therefore, citizens as well as the professionals have a job to do in developing and defining an indicator for employment that will embrace all forms of meaningful employment.

As a first - although far from perfect - image of meaningful employment, we propose a basis in the quarterly labour market survey that is based on direct interviews with a representative sample of people of working age. We propose that some of the above nuances be incorporated so that it will be ensured that it is meaningful employment that is stated and recorded. In the annual manpower survey that is performed by Statistics Denmark, questions of voluntary work should also be added as well as whether each citizen finds his or her work meaningful.

⁶⁶ Tim Jackson; 2017

Indicator no. 2: Equality



Is there more or less inequality in Denmark?

Indicator: To measure economic inequality, we use Statistics Denmark's measurement for the difference in income between the richest one-fifth of the population and the poorest one-fifth.

Part of the poverty problem that exists in Denmark is about citizens not being able to afford simple necessities to which everybody should have a right, but there is also another aspect of poverty: inequality.

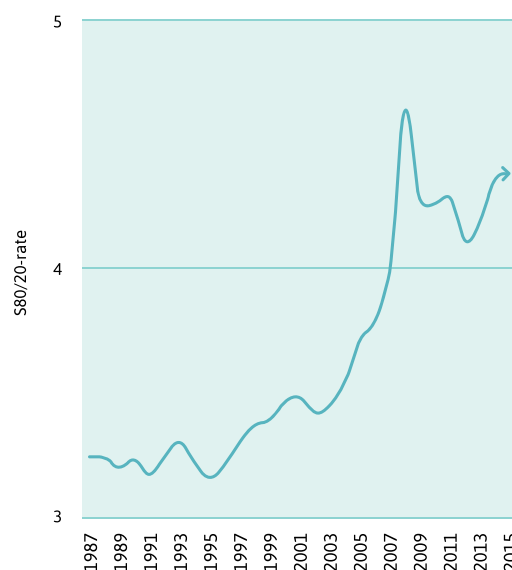
People constantly compare themselves to each other. It inhibits our well-being when we cannot offer our children the things that their friends have, or when we have fewer possibilities than others from birth. Today, society is divided into an A team and a B team with significantly different conditions and possibilities in life. The Alternative therefore considers economic inequality to be a big problem.

Development has shown that inequality does not simply disappear through more growth. We have had plenty of growth at home, but inequality is rising. That applies to economic inequality⁶⁷ as well as inequality in well-being⁶⁸. Together with Great Britain, Denmark is the country with the biggest increase in inequality of life satisfaction in Europe. It has declined in the neighbouring countries.

Economic inequality wears down empathy. Both ways. Obviously, there are many individuals who can handle inequality. However, at society level, inequality creates alienation among people in the same community. Inequality erodes the foundation of society in the form of trust we have developed in each other and in the system.

INEQUALITY IS INCREASING

Figure 16: Income inequality



Source: IFOR41, Statistics Denmark The Y axis shows the relationship between the disposable income of the 20 % richest

⁶⁷ 'Indkomster 2014' (income 2014), Statistics Denmark. ⁶⁸ 'European Happiness Equality Index', Happiness Research Institute.

The weakened trust is also one of the reasons that large, international organisations have started to emphasise inequality as a problem to the economy. Most recently, the OECD and the International Monetary Fund published reports that show that increasing inequality in income inhibits economic growth⁶⁹⁷⁰.

When the difference between rich and poor in society is growing, it suggests that the problem is not a lack of wealth, but a lack of distribution of wealth.

“There is a significant gap between the richest and the poorest people in Denmark - the top 20 per cent of the population have nearly four times more than the 20 per cent at the bottom” - OECD

How do we measure? To measure economic inequality, we suggest using Statistics Denmark’s targets for how many times bigger the income is for the richest 20 per cent of the population compared to the poorest 20 per cent of the population⁷¹. Those figures indicate that inequality has risen heavily since 1987 - and that it is somewhat higher than in Norway and Sweden⁷².



⁶⁹ 'In It Together: Why Less Inequality Benefits All', OECD. ⁷⁰ 'Causes and Consequences of Income Inequality: A Global Perspective', Dabla-Norris, Kochhar, Suphaphiphat, Ricka & Tsounta. ⁷¹ The S80/20 target breaks away from the often-used Gini coefficient's sensitivity to changes in the middle of the division and insensitivity to changes at the top and at the bottom of society. The S80/20 target therefore better reflects income inequality for society as a whole. Palma, José Gabriel; Homogeneous middles vs. heterogeneous tails, and the end of the 'Inverted-U': the share of the rich is what it's all about; Cambridge University; 2011 ⁷² Eurostat.

Indicator no. 3:

Investment in the future



Does Denmark invest more or less in research and development?

Indicator: The share of the gross domestic product for private and public gross investments and the 'green domestic product' from Statistics Denmark.

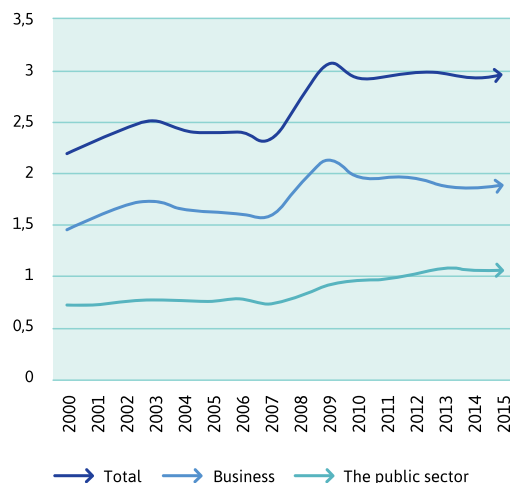
If Denmark is to live on creativity and ideas, it takes research and development. A high level of research and development is a clear sign that socio-economics is future-proof. At the same time, the level of private investments in research and development shows how much faith private actors have in long-term, Danish socio-economics.

Research and development often take place in the private sector as well as in the public sector. The public sector especially supports the freedom of research and primary research where applicability is often too unpredictable and long-term. Primary research opened the way for the Internet, microwave, laser and much modern medicine. The fact that research is free means that the researcher has a right to pursue his or her ideas without having to account for the utility value in the short term. Freedom of research involves the willingness to do investments with a high-risk profile. The public sector needs to bear that risk. Good research environments do not emerge from one day to the next; it requires a long-term, political obligation to build and maintain the prerequisites for outstanding research.

The private sector primarily focuses on applied research with a more short-term perspective and, in general, seeks to solve a recognised and relatively specific problem. In a private context, research and development generally focus on economic yield. When the public and private sectors collaborate on research, it is often to achieve yield for their own private economy as well as a broader public use.

ROOM FOR IMPROVEMENT IN INVESTMENTS IN RESEARCH

Figure 17: Expenses to research and development in percentage of GDP



Source: CFABNP, Statistics Denmark.

An example is Denmark's tradition for supporting green research and development. As far back as 1891, Poul la Cour, the physicist who was called 'the Wizard of Askov', received support from the state to develop the first wind turbine to produce electricity. That became the start of the Danish wind turbine fairy tale that private companies with government aid developed up through the 20th century. In 2015, Denmark's green production made up DKK 192bn., and green export DKK 700bn. This may be more in the future if we support green research and development. Danes have to be the most curious, creative and enterprising when it comes to green development.

Education is the future

More money for education is one of the best socio-economic investments. Therefore, i.a. Confederation of Danish Industry and Confederation of Danish Enterprise criticised the government's cuts in the area in recent years.

At the same time, Denmark needs the courage to invest in the future. Therefore, the Alternative monitors investments in research and development - for the public as well as for the private sector.

How do we measure? We can monitor the share of the gross domestic product for the private and the public sector through Statistics Denmark. This is a very rough indicator for Denmark's investment in the future. It is rough, because investments on the one hand may point in the direction of a sustainable development but, on the other hand - such as the DKK 30bn. which is now anticipated invested in the Tyra Field in the North Sea - will merely maintain and extend an outdated production structure in fossil energy recovery. Similarly, it makes a difference whether research is aimed at nuclear power or wind power.

In order to obtain more accurate knowledge, we may therefore supplement the gross investment indicator with the statement on 'green' investments in the recently published 'green domestic product' from Statistics Denmark.



Indicator no. 4:

Professional qualifications



Do Danes have more or fewer formal and informal professional qualifications?

Indicator: The share of people aged 24-65 with an education qualifying for the labour market or a job at a similar level.

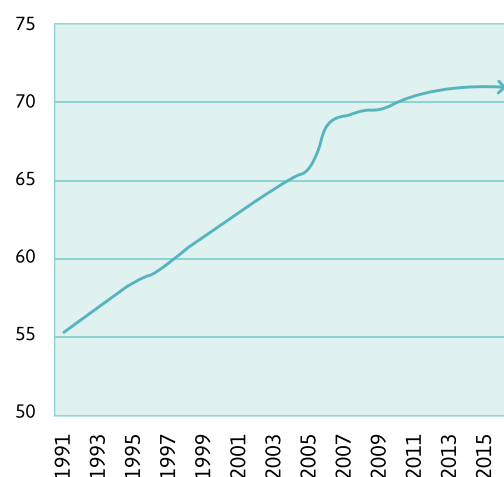
The educational level of the population and the economy are often closely connected. The better trained the labour force is, the stronger and more stable the economy. In general, Denmark has a good educational system. The majority of a year group will have an education qualifying for the labour market. However, the established ways through the educational system create a very rigid approach to education. You need examination papers to prove your qualifications in order for them to be acknowledged. That is a shame, because not everything can be learned in school. Many qualifications are acquired through play and social interaction outside of school. In the same way, it is not only in school that you can learn the professional qualifications that will bring you further in life.

Many people do highly qualified work although they do not have papers to prove their education. Some could not make themselves comfortable in the educational system and dropped out to become entrepreneurs or obtained an education which is not acknowledged by the formal system. Many opted out of a classic education and did not acquire their qualifications at their school desk but at 'the school of life'.

We therefore need to measure formal as well as informal competences in order to get an idea of the population's level of competence. If we continue to simply measure formal competencies, we risk for them to be the only ones we end up chasing. Then we forget to allow time and space for development and creativity beyond the school system.

MORE PEOPLE OBTAIN AN EDUCATION

Figure 18: Percentage of people aged 25-64 with an education qualifying for the labour market



Source: HFU1 and HFUDD10, Statistics Denmark. Databrud i 2006 (Data leak in 2006.)

In the Danish system, education is something you will obtain while you are still young and before you enter the labour market. Of course, we need to train our youth, but it is just as important to further train the entire population and make sure to support citizens' lifelong curiosity. In that way, we will create the best conditions for having skilled and happy citizens who feel that they have meaningful jobs.

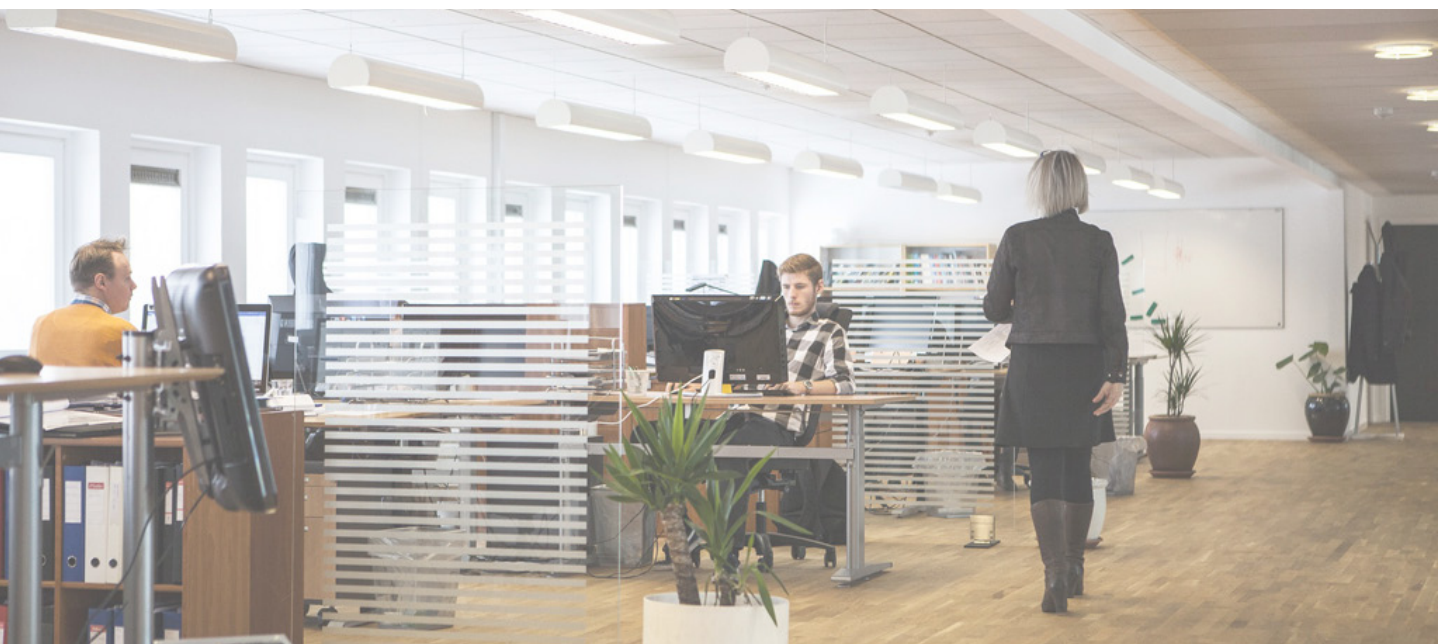
A possibility is to look at the share of people aged 24-65 with an education qualifying for the labour market or a job that requires similar competences. In that way, we can capture how good we are at educating our citizens - partly when they are young and before they enter the labour market, partly through supplementary training when they are already in the labour market. That will also identify how many have competences at a level qualifying for the labour market but do not have papers to prove it.

How do we measure? Today's Denmark has very accurate measuring of the formal educational level. Development has been constant towards more people obtaining an education qualifying for the labour market. However, that development has become weaker during the past decade and stagnated in recent years.

Denmark currently does not measure the level of competence that is necessary in order to perform a specific job. The country therefore risks disregarding the informal level of education. That topic can easily be incorporated in the manpower survey done by Statistics Denmark each year. If that question is added, it will be easy to design the indicator. That is done in for example Australia where The Australian Bureau of Statistics (ABS) has a similar indicator in their Measures of Australian's Progress⁷³. The Australian survey inspired the Alternative's proposal for a measuring method.

Non-formal learning

The Australian statistical agency is working to measure the educational level in more senses than one through Measure of Australia's Progress. To supplement figures for university education, vocational training and the like, they measure attendance in 'non-formal learning' which covers adult educations, hobby courses, courses in personal development, work-related courses, first aid courses and other informal educations which provide them with important skills to manage in and contribute to society although they never receive a diploma.



⁷³ <http://www.abs.gov.au/ausstats/abs@.nsf/mf/1370.0>

Indicator no. 5: Financial stability



Is there financial stability in Denmark?

Indicator: Statistics Denmark can monitor the development in percentage of the lending from banks and mortgage credit institutions to companies and households.

No one doubts the significance of financial stability any longer. The global financial crisis from 2007 to 2009 was the worst financial crisis since the big depression in the 1930s. The crisis affected Denmark severely, more than most other countries, very much due to irresponsible economic policy from the then government (Venstre and Conservative).

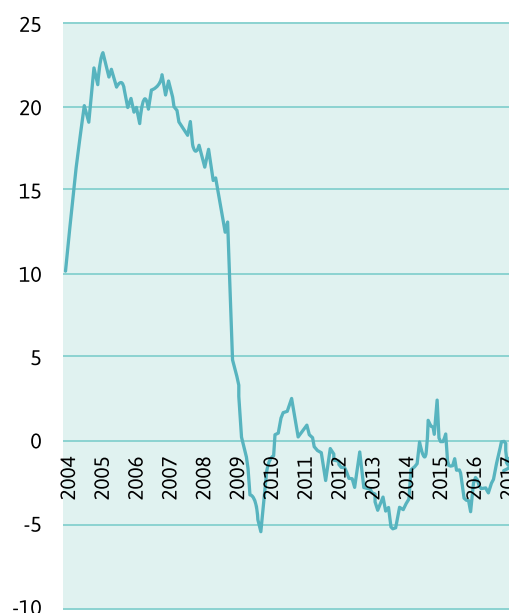
The task force on the causes of the financial crisis, headed by professor of economics Jesper Rangvid, have estimated the total price for the Danish share of the crisis amounted to approx. DKK 400bn. in the form of lost production and the banks' depreciations⁷⁴. Furthermore, the State had significant expenses in connection with the bank bailout packages to protect private banks. It is still uncertain how many billions were involved⁷⁵.

Leading, Danish economists agree in general that the Danish economic crisis emerged from a combination of the international, financial crisis, a fiscal policy too gentle pursued by the then government and by a politically overstimulated and overheated housing market. The Danish banks had lent much too much money, nationally as well as internationally.

It can also have large, socio-economic and social consequences if an unstable financial sector collapses and contributes to an economic crisis. It is therefore important to ensure financial stability in order to minimise the risk of future economic crises. It is impossible to avoid crises entirely, but we can reduce how often they emerge and how severe they become if we regulate the financial sector effectively and pursue a responsible fiscal policy.

THE CREDIT GROWTH MUST BE MONITORED

Figure 19: Credit growth



Source: DNUP and DNRUDDKI, Statistics Denmark.

⁷⁴ Ministry of Industry, Danish Business and Financial Affairs 2013. ⁷⁵ Kristensen 2017.

During the financial crisis, Denmark and the rest of the world witnessed what it means if the financial systems do not work. As big parts of the financial system had taken risks too high, the system broke down temporarily. That meant that many families and companies could no longer loan money for investments which were otherwise sound and long-term. Companies had to close down or drop new investments. Families were driven from their homes. That caused the financial crisis to deepen and be prolonged.

It is therefore essential that we as a society regulate the financial sector. Work in those regards was initiated following the financial crisis, in Denmark i.a. by use of the Danish Financial Supervisory Authority's supervisory diamond and internationally by use of i.a. the so-called Basel III and IV requirements which contain a large number of rules.

Deregulation caused the crisis

Part of the explanation to the international financial crisis is found in the deregulation of the financial markets that occurred from 1980 and onwards. It enabled irresponsible lending and an unsustainable, debt-driven bubble in the economy, in Denmark and globally.

However, work to ensure stability in the financial sector does not stop here. The financial sector is constantly developing, and it is therefore important to monitor the market in order to ensure a stable economy. Up to the financial crisis, we equalled growth with how much money the financial sector lent. From June 2004 to 2008, the lending from financial institutions doubled from DKK 230bn. to DKK 460bn. That was contributory in creating a huge degree of instability in the financial markets. The credit institutions that had problems during the financial crisis were often characterised by an intense loan growth in the years leading up to the financial crisis⁷⁶.

Denmark is one of the countries in the world with the most debt per capita. However, the high level of debt is counterbalanced by much capital in the form of pension and real property. In average, 50 per cent of Danes' assets are placed in housing. That does not change the fact that debt-driven upturns are very unstable and should be avoided. It is therefore important to notice when the housing market starts showing signs of rapid rates of increase. We should not repeat the mistakes of the 00s.

How do we measure? The Alternative wants to monitor stability in the financial market and the housing market. In recent years, financial crises have typically been triggered following periods with high growth in lending. As can be seen in the figure, credits grew by approx. 20 per cent annually each year from 2004-2008. That was not sustainable. Thus, credit growth is a parametre that can be used to monitor whether there is an indication of overheating of the financial sector, leading to a new, economic crisis.



⁷⁶ KRAKA, http://www.finanskrisekommissionen.dk/sites/default/files/public/finanskrisen_-_kan_det_ske_igen.pdf

Indicator no. 6:

Public budgets in a long-term balance



Does the public sector in Denmark have more expenses than income?

Indicator: We measure whether the public budgets are in long-term balance by incorporating the dynamic effects from investments in people and environment in the statement of the public balance. What short-term and long-term effect do the public budgets have on the dynamic effects of economic, social and environmental investments?

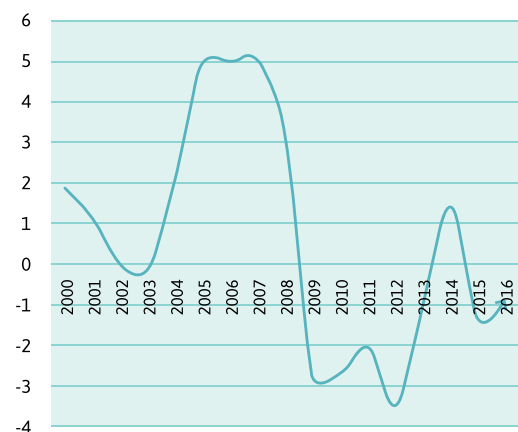
As is the case with a private household, the public sector should not have a deficit on a long-term basis. It always comes at a cost when public finances are imbalanced for too long. Dealing with any necessary adjustments continuously is better than ending up in huge crisis measures. History has shown that when there are requirements of a thorough, economic recovery, the old parties will disregard the social and the green bottom lines. Contributing to a responsible, economic policy in which the public budgets are long-term balanced is therefore essential to the Alternative.

However, it is not enough to merely observe whether the budgets result in a surplus or cause a deficit and then make adjustments to meet the effects of the economic cycles the way the Danish Ministry of Finance is currently doing. For periods, it may be sensible to borrow to make investments if they yield a profit in the future. Any sound business owner or house owner would recognise that.

Unfortunately, the current approach to public budgets are more similar to budgets of a grocery store than to those of a modern, private company. Among other things, it is evident in the budget law which provides very inflexible management of the public sector. No distinction is made between a

SURPLUS IN SIGHT

Figure 20: Public balance in percentage of GDP



Source: OFF3, Statistics Denmark 2013 and 2014 showed a sudden surplus in public finances. That was because around 761,000 persons restructured their capital pensions into non-deductible retirement savings. According to the Danish Ministry of Taxation, the fee that they paid in those regards resulted in total additional revenues of approx. DKK 15.7bn.

deficit triggered by a consumption much too high and a deficit triggered by investments that provide future returns. The Danish Ministry of Finance completely disregards the returns achieved from investing in e.g. climate, education and social prevention.

According to the economic calculation models of the central administration, investments in people and environment are not worth the expense. That makes it difficult to make public investments which result in a surplus on all three bottom lines over the long term. We therefore have to think sustainability for the public budgets in a broader and more flexible sense. That requires a break with the economic calculation models in their current shape.

How do we measure? It is necessary to redevelop the economic calculation models so that they consider the dynamic effects of investments in people and environment. These conditions should be included in the statements on the structural balance of the public sector. An entirely new instrument of control is therefore necessary behind political-economic decisions.

Convergence requirements

The size of the deficit on the public balance is determined by the EU's convergence requirements. They stipulate that public deficits may not exceed 3 per cent of GDP. The convergence requirements do not differentiate between deficits that are triggered by consumption that is too high and deficits due to long-term investments. Therefore, the Alternative is critical of i.a. the convergence requirements in their current form.

The statement on such a socio-economically responsible public budget is not a figure that can be found in a statistical table. The figure that should be taken as basis is combined by a number of sub-components. First, development in the economy of the private sector is key. What is the relationship between savings, investments and employment in the years to come? In the light of the international economic cycle, how can a development of public sector revenue and expenditure, counterbalancing any private sector surplus or deficit, be planned?

Such a calculation requires for the Danish Ministry of Finance to develop calculation models that can provide a realistic assessment of such conditions. As calculation models will never be complete, the assessment must at all events always include a sound scepticism and awareness of the factors that are not included in the calculation model.

A majority not part of the government already instructed the Danish Ministry of Finance to incorporate the dynamic effects of investments in people and environment in the economic models. The Alternative will closely monitor that work. If the work gets obstructed and the political imbalance that is currently incorporated in the models continues, the Alternative is open to discussing whether independent, specialised economic environments - for example the Danish Economic Councils - may be supplied with means so that the task of developing up-to-date, economic models may be embedded here.



WAYS TO AN ECONOMIC BOTTOM LINE

When the Alternative is working for an unprecedented transition of society, it involves a new economy. The market is much too important to be left to its own fate. The laws of economy must be rethought, and our choice of an economic bottom line with six focus points is only the beginning. Our additional choices, not rejections, of priority areas are the most fundamental. We rejected the goal that has been the most thorough in defining socio-economic thinking from the 1930s and onwards. We rejected GDP; not because it doesn't matter, but because it no longer is the most important target, not even among the six most important economic targets in constructing an economy to the benefit of people and environment. Here is a fundamental fracture between the current path and the Balance Society we can create if we set out minds to it.

The focus points cannot be seen isolated, one by one. Political proposals will often have an effect in several dimensions. All at once, the property tax freeze that was introduced in 2001 thus increased inequality, destabilised the financial sector, weakened public finances and is probably the political action since the turn of the millennium that was the most dramatic in distorting Denmark by being beneficial to the economically strong urban regions led by Copenhagen, Aarhus and North Zealand at the expense of the rural districts. The damaging effects of the property tax freeze is now widely acknowledged, and a majority decided to do away with it, but not until 2021.

Getting rid of the property tax freeze will contribute to ensuring stability in the housing market and to avoiding future housing bubbles. That also applies to strict legislation on the adjustable rate mortgage loans and the interest-only mortgages that were significant causes of the financial crisis. Furthermore, we propose a division of investment banks and savings banks in order to reduce systemic risk.

The Alternative wants a break with the inequality that is ruining the cohesion of society and is deteriorating people's well-being. Among other things, it takes for us to get rid of the poverty benefits that have been documented to push thousands of Danish children into poverty. We also generally have to consider a higher degree of redistribution and fairer financing of political proposals. Examples could be taxes on financial transactions, an introduction of capital taxes and progressive inheritance taxes. The Alternative proposed a number of increased, green taxes which could also improve public budgets and allow us to invest in the future. In our finance bill, we proposed a strengthening of the research reserve.

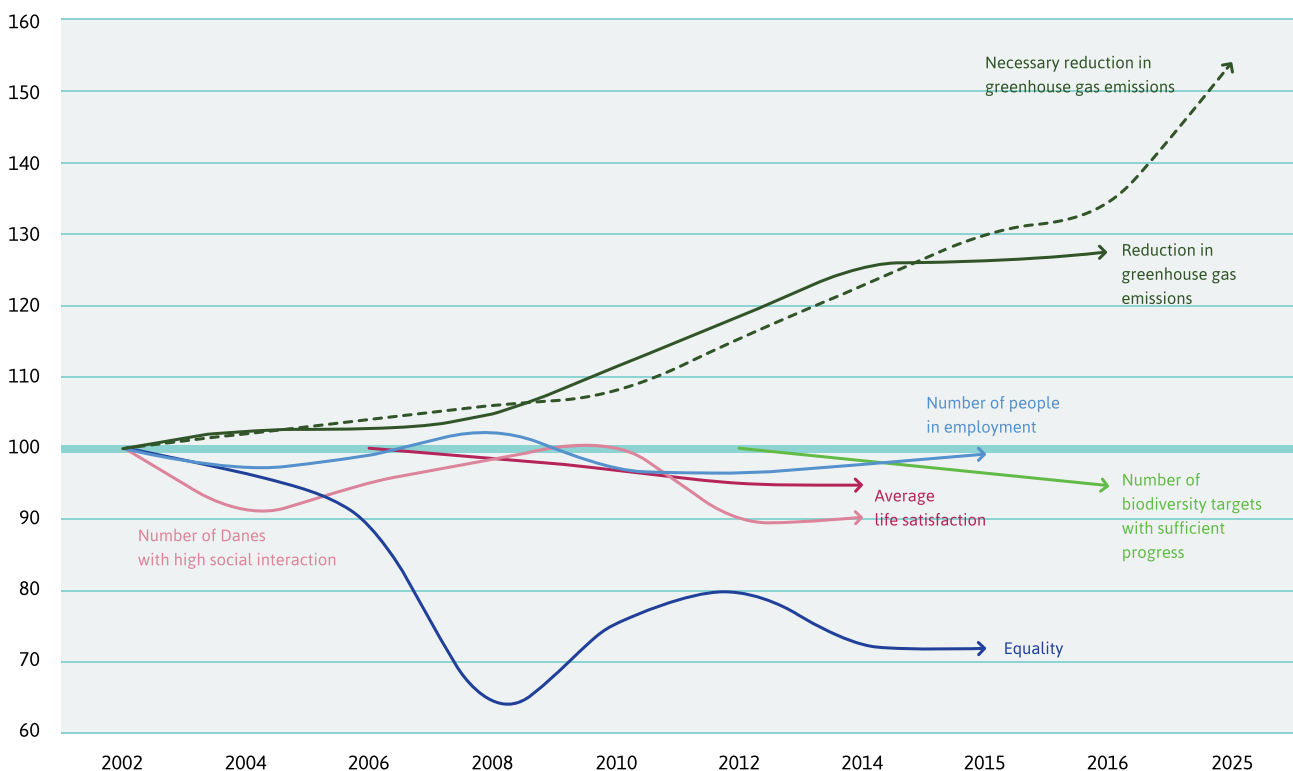


There are many ways to meaningful employment, but the most effective one might be creating a far more entrepreneurial Denmark. Our entrepreneur package includes a palette of proposals and requests to strengthen the possibilities of using any good ideas for entrepreneurship. That is also the framework for a shorter working week and basic income. The Alternative also sees a big potential in employee-owned companies and in cultivating the fourth sector in the cross field between the public sector, private industry and civil society. The creation of a more entrepreneurial Denmark will also accelerate the building up of competences in the population, in particular the informal competences for which you obtain no papers from an educational institution but which are central to the dynamics of the individual and of society in practice. We believe that Danes have a huge potential for enterprise and entrepreneurship, simply waiting for the right soil to begin to grow - to the benefit of all of us, and to the benefit of the world.

YOU GET WHAT YOU MEASURE

DECLINE

Figure 21: Development in the Alternative's GDP for Denmark (index 100=2002)



The figures show the development of our six main indicators and the necessary reduction in greenhouse gas emissions. Basis for calculating the reduction path is the target of 55 % greenhouse gas reductions by 2025 compared to the level in 1990 and 40 % by 2020. Danish Society for Nature Conservation and the WWF biodiversity barometer are used as preliminary indicators of the biodiversity target. They have been indexed for 2012 due to the lack of prior targets. Furthermore, we chose to not include the targets for 2014 and 2015 as it would be a misrepresentation of the real development, graphically speaking - due to the low number of targets, there was an increase of 100 % in biodiversity targets from 2012 to 2014 with sufficient progress, and a decline of 100 % from 2015 to 2016. Due to the lack of comparable data from before, the target of life satisfaction (World Happiness Report) is also indexed for 2006. No life satisfaction measurement has been made in 2008. As Statistics Denmark's measurement of satisfaction with social relations is a new goal, EES targets for the share of the population with much social interaction have been applied as the target for the quality of communities. We define that as the share of Danes who see family, friends and colleagues once a week or more. Equality is measured according to the S80/20 rate. Finally, Statistics Denmark's statement on the number of employed people is used as a preliminary target for meaningful employment.

If we step onto the scale daily, we will naturally attempt to lose the extra weight. If we measure how far we walk each day, we will attempt to walk those extra couple of steps each day. And if we measure how good pupils are at rote learning, it is that and not creative thinking that the pupils will attempt to get better at. In short: You get what you measure.

It therefore means something what we as a society are measuring. The national accounts found their way to Denmark with the Marshall Plan after the Second World War, and GDP has been the all-important target for progress in society ever since. The growth spurts of the 1950s and 1960s would have been unthinkable without this form of socio-economic planning. However, we currently witness the downside of the one-sided focus on economic growth. Unfortunately, we sacrifice i.a. nature, the cohesion of society and the purpose of life on the altar of growth to an excessive degree. We are less happy, more unequal and still pollute too much. So, our lives are not getting any better although we might be getting wealthier.

We therefore need to measure something else and more than GDP. It might seem nerdy to discuss whether we should now measure by one or another statistical indicator. It is essentially a matter of what kind of society we want. There is a very fundamental debate on societal issues behind bottom lines and indicators. Not only should we break with GDP; we need to figure out what we find to be important. What it is that we want - and how to get there.

In this discussion paper, the Alternative has presented our first proposals for the aspects of social development that we should focus on. Selecting indicators for a sustainable social development is based on our analysis of what constitutes the biggest challenges to our society. These fall within three bottom lines: the green, the social and the economic bottom lines.

The indicators on the green bottom line show whether our economic and social development is in balance with nature. That is not the way things are today, and we have much work to do if we are to turn development around. Six indicators on a green bottom line does not change everything, but if we take them seriously, Denmark has taken a big step in the right direction. Danes will then emit significantly fewer greenhouse gases, reduce support to fossil fuels, diminish our ecological footprint, increase recycling, be exposed to less chemical impact and protect the wealth of species in nature. That is a good start.

Development on the social bottom line will indicate whether we are feeling better about each other and ourselves. High life satisfaction and its fair distribution, strong, social relations and communities, physical and mental health, the absence of poverty, equality among people and a strong and transparent democracy are all decisive components in a fair society.

Finally, the indicators on the Economic Bottom Line give a far more accurate and fair picture of the economic development in society than GDP alone does. Growth in GDP says nothing about the sustainability or fairness of our economic development. We get that from a combination of figures for the number of employees in good jobs, the economic equality, the share of Danes with formal or informal professional qualifications, the responsibility of public budgets, the financial stability of the economy and our investments in the future.

Working with these indicators across three bottom lines gives us a far more true and fair picture of whether we as a society are headed in the right or wrong direction than GDP alone. The Triple Bottom Line provides a more holistic picture of social development, including how the bottom lines influence each other.

A surplus on the social bottom line therefore depends on a surplus on the green and the economic bottom lines. Living healthy and good lives is only possible if our society is not threatened by extreme weather phenomena, rises in sea levels and a war of resources and if we can enjoy a living nature and avoid pollution in our everyday lives. High quality of life and reduced poverty require a fair, economic development and require that society can afford investing in the institutions that enable safe, meaningful and free lives.

A nature in balance requires economic freedom to make the necessary investments. If we do not deal with climate changes now, they will constitute an immense economic expense in the future. In turn, there is a big, economic potential in green technologies.

In the same way, a surplus on the social bottom line is good business. Healthy people in balance with themselves and with others produce more efficiently and cause fewer welfare expenditure. An efficient, democratic society where no one is excluded is a society to which everybody will want to contribute and that accommodates the potential of as many as possible.

The bottom lines are not only important individually but also in relation to each other. Unfortunately, we have seen a decline on most bottom lines for the past 15 years. If you follow the development of our main indicators for sustainable development since 2002, we have admittedly grown wealthier⁷⁷, but we have also seen a downright negative development on four out of six main indicators.

While the employment figures have fluctuated during that period and are now on the way up again, we have seen a heavy increase in inequality. The same negative trend can be seen on the social and the green bottom lines. Our life satisfaction is below the 2006 level and has declined the last couple of years. Following a good period around the financial crisis, we now also see a heavy increase in the share of the population with low, social interaction. Although our greenhouse gas emissions have been reduced since 2002, the reduction has now levelled out. We are a long way from meeting Denmark's share of the Paris agreement. At the same time, there is an increase in the number of biodiversity targets that do not see the progress wished for.

Although we have grown wealthier measured by GDP, we have also become poorer in a number of areas. The question is what material wealth really is worth if we do not have the time to become absorbed in the things that add purpose to our lives and if we do not have the time to lose ourselves in each other; if the cost is for us to work so much that our children no longer know us and we no longer know ourselves; if the cost is that our children can no longer drink the water from the tap or feel the dark, moist soil between their fingers; if the cost is that our grandchildren will have to live in a world burdened by climate refugees and resource wars due to floods and lack of energy, water and food; if the cost is that some people will be born into abundance while others have to struggle to have a roof over their heads and food on the table.

⁷⁷ Statistics Denmark, NAN1

That is why we have to create a world where we have time for each other and treat each other and nature fairly; where we make sure that our wealth is invested in the future and in the people who need it the most. We need new landmarks to guide society in the right direction. The fact that we need not only one, but three bottom lines is evidence that the supremacy of economy in the social development is over. The Triple Bottom Line can make us aware of the areas on which we need to have more focus.

The Alternative has used this discussion paper to offer our initial proposals for the aspects of social development that the Triple Bottom Line could cover. However, it is far from an answer sheet. The next step will be to ask for your help in finding and developing the parametres for a sustainable society that can help us all find our way in the political debate. It is time to set now goals. Binding goals. Goals which can form the basis of the politics to be pursued, the proposals to be developed, the election promises to be given. Society must embark on a new course, and everybody is welcome to contribute. If the society of the future is to be for everybody, it will have to be created by everybody.

