Measuring Progress: The Sustainable Progress Index 2025

2025

This report is written by:

Prof. Charles M.A. Clark, St. John's University, New York

Dr. Catherine Kavanagh, University College Cork

John McGeady, Social Justice Ireland

Measuring Progress: The Sustainable Progress Index 2025

This report is written by:

Prof. Charles M.A. Clark, St. John's University, New York

Dr. Catherine Kavanagh, University College Cork

Mr. John McGeady, Social Justice Ireland

This Report was undertaken for Social Justice Ireland

SOCIAL
JUSTICE
IRELAND
working to build a just society

February 2025

SOCIAL JUSTICE IRELAND

working to build a just society

First Published February 2025

Published by
Social Justice Ireland
1-3 Burton Hall Road
Sandyford
Dublin D18 A094
Ireland

www.socialjustice.ie

Tel: 01-2903597

e-mail: secretary@socialjustice.ie

An Roinn Forbartha Tuaithe agus Pobail
Department of Rural and Community Development

pobal
government supporting communities

The work is partly supported by the Irish Department of Rural and Community Development via the Scheme to Support National Organisations and Pobal.

Table of Contents

1

Introduction

Ireland ranks 9th out of 14 comparable EU countries in this year's Sustainable Progress Index, commissioned by *Social Justice Ireland*. The index comprises three dimensions: economy, society and environment. Ireland is ranked in the middle of the 14 countries on the economy index and on the social index. On the environment index Ireland is towards the bottom of the ranking in 11th place.

The United Nations' 2030 Agenda for Sustainable Development calls on all nations to combine economic prosperity, social inclusion, and environmental sustainability. Our analysis shows that while Ireland has made some progress, enormous challenges remain under these three headings. Even as events over the past few years have highlighted the interdependence of our economic, social and natural spheres, the achievement of the Sustainable Development Goals remains challenging. However, it is crucial they remain at the top of the policy agenda if we are to ensure a more sustainable future for all.

When the nations of the world agreed on the United Nations Sustainable Development Goals (SDGs), they were laying out 17 goals that all agreed were necessary for a sustainable future. The SDGs, like the MDGs (Millennial Development Goals) before them, are a rejection of the standard approach economists traditionally take towards addressing most, if not all, problems: grow the economy (GDP) and you will be able to afford (either as individuals or acting together through governments) to address and hopefully remedy the problem. The new approach of the MDGs and SDGs is to instead focus on specific problems, recognizing that every problem is not a nail with economic growth being the universal hammer. Many problems are rooted in insufficiency of production (especially in least-developed countries), yet even for these countries the focus on economic growth as the primary goal has not always been successful. In most Sub-Saharan African countries, GDP performed much better under the UN's MDG regime than under the four previous United Nations Decades of Development frameworks (Clark 2021a), which makes sense because people who are better fed, healthy and live in a clean environment are also going to be more productive.

Tackling problems begins with fully understanding them, and this requires data. Data, however, is never independent of theories, as data is the result of observation that necessarily

starts with a point of view or perspective.[1] Theories provide a guide as to what to measure and they explain what the data means. Problems arise when issues develop that are outside the scope of dominant theories and thus these issues are not being observed and measured and not being addressed by public policy. Often the dominant theories do not adequately explain the reality that the data exposes.

The benefit of evidence-based policy is that it supplements and challenges the usual drivers of public policy: self-interest and ideology. While self-interest certainly causes most of the mischief in public policy as powerful economic agents get the government to subsidize their activities or prevent others from competing against them (modern versions of the Mercantilism Adam Smith argued against), it is necessary that, in a democracy, citizens can vote for representatives who will promote their interests in public policy formation, so that the government's budget reflects the interests of the people. As we noted above, all data collection and analysis, as well as policy formation, is based on ideas and theories, thus you cannot eliminate ideology from politics[2] but you can challenge ideologies, exposing their blind-spots and biases. Every economic theory was first developed to explain a specific economy, the lived reality of the time.[3] Economies continue to change and evolve, and theories should also adjust to these new realities. The goal is to have the theories engage the lived reality of people, and since there is a great variety in lived realities, we need a wide variety of indicators.

Social Justice Ireland's Sustainable Progress Index is part of a growing consensus in public policy to go "beyond GDP" when measuring a society's well-being and progress. Along with the Happiness and Well-Being research, it has helped to greatly expand both the topics policymakers focus on as well as the data and indicators that are available to evaluate problems and measure the progress towards addressing them.

1.1 This Year's Sustainable Progress Index

Our reports have contributed to the argument for more indicators to reflect the complex realities people face. Past editions have highlighted various issues to give them attention and hopefully to get them on the radar of people working in the public policy space.

---

1 See Gunnar Myrdal's *Value in Social Theory* (1958) for the classic analysis of the necessary role of values in social theory.

2 It is worth noting Karl Marx's great insight that in each era the ruling ideas are the ideas of the ruling class, so that the dominant theories will most often reflect the interests of the rich, directly in that most policy research is funded by either governments (who mostly work for the elites) or think-tanks that are funded by elites, and indirectly in that the ruling ideas reflect the social order in which the elites are at the top. The main indicator of capitalism is GDP which measures market transactions, so that the indicator for well-being and progress is also the indicator of how businesses earn profits.

3 Many economists have suffered from the delusion that their theories expose eternal natural laws, causing an inevitable "theoretical lag" (like "cultural lag" in sociology) in the history of economic thought. See Clark (1992) and more importantly Stark (1944 and 1994).

In this edition, we return to the broad issue of Progress, and some of its broad challenges. There is no doubt that humanity has achieved considerable economic progress over the past 2 to 3 centuries. Here we look at the issue of how to think about progress, specifically Adam Smith's radical idea that progress means improving the living conditions of the people (consumers and workers). We also look at two by-products (progress traps) of this material progress – inequality and the climate crisis (as well as Adam Smith's warning of "moral decay") which pose a serious threat to this record of success in material progress.

We also, as we did in our previous reports, look at the limitations of GDP in general and in the specific Irish context, where GDP as an indicator has become a barrier to understanding Ireland's economy. We also provide an overview of some of the issues which are part of the United Nations Statistical Commission's efforts to update how GDP is measured – leading eventually to SNA 2025 (System of National Accounts) to replace SNA 2008. Section 5 updates our Sustainable Progress Index (based on the SDGs) and compares Ireland with the EU 14. Our final section concludes with key policy recommendations.

1.2 A Quick note on the EU 14

All data is only meaningful in context. Telling a patient that their temperature is 38 degrees is meaningless unless they can compare that with what is considered a healthy temperature. Thus, reporting any economic or social statistic requires some context. There are two ways of doing this for a country like Ireland: compare the statistic with how Ireland has done in the past or compare Ireland with similar countries. In this report we do both. When possible, we examine Ireland's performance over time. We also compare Ireland with the EU 14 (often with the EU 14 average). The EU 14 countries are: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and Sweden. We pick these countries because they are in the Euro zone and because they have adjusted to the European Union standards. Comparing Ireland with just individual countries would often be problematic, as individual factors could make the comparison unhelpful, but as a group we think it gives a benchmark that shows what similar countries have achieved.

2

The Quest for Progress

The primary way that modernity differentiates itself from our ancestors (recent and ancient) is by evoking how much progress we have achieved. This is true both individually and collectively. Individually we can see how much more "stuff" we own compared to our parents and grandparents and collectively we can easily see that our society is more advanced than theirs, often in ways they could not have imagined. If we are humble, we realize our personal progress is mostly a function of living in a society that has achieved so much.

The modern era has created an expectation that each generation will have a higher standard of living than the one that preceded them. The standard metric for measuring this is Gross Domestic Product (GDP) per capita, which measures the economic output of a country, divided by its population. At the individual level it is the hope of all parents that their children would do better than they did. Collectively, there was the expectation that the economy will grow (increase in GDP) which will lead to a rising standard of living (more consumption). Our economic system requires economic growth to maintain full or near full employment and full employment has been the main way that standards of living have been maintained and improved. Yet, full employment and standards of living are a secondary effect, as the primary engine of our economic system is business profitability, or more accurately, an acceptable return on the investments in businesses so that these investments continue. At its most basic level, a capitalist

economy's main purpose is to increase the wealth of the already wealthy.[4] As Robert Heilbroner (1985) explains in his book *The Nature and Logic of Capitalism*, our economic system rests on what is essentially a black-mail relationship: provide profits for capital and the owners of capital will continue to use it in a manner that promotes economic growth. And with economic growth comes improvements in our standard of living. Two obvious questions are: 1. What happens when the investment of capital is no longer both profitable to wealth holders and beneficial to the standard of living of the public? (there are barriers to growth, or when speculation becomes more profitable than production) and 2. What if people redefine well-being as something other than increased ownership of more stuff? We will see below that economists have been asking these questions since Adam Smith, but what is unique about the current moment is that large numbers of ordinary people are starting to ask the same questions. Many are questioning both the possibility of endless material progress and/or the desirability of endless material progress.

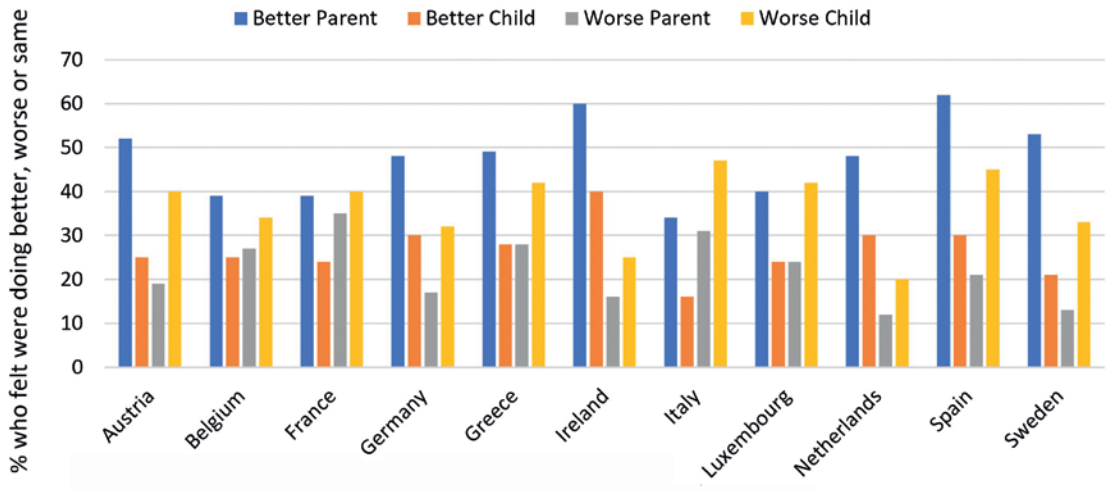
The past three decades have demonstrated the problematic nature of the dream of unending material progress and presented the possibility that the dream of progress might become a nightmare of crisis and collapse. As we will see below, the classical economists (1770-1850s) saw the end of growth as a natural outcome of capitalist development, what John Stuart Mill called a "stationary state" economy. Yet the challenges we face in the 21st Century are not the end of technical progress per se or, so far, running out of material inputs to keep the capitalist production machine rolling along, but instead it is the dual problem of the decoupling of economic growth from well-being on the one hand, and the threat posed by the climate change caused by the pollution generated by expanded production and the waste-driven consumer culture that developed to maintain the levels of demand necessary to keep production profitable.[5] These two challenges are connected, we believe, to the growing pessimism regarding the future in advanced capitalist countries. The citizens of the advanced capitalist countries have become less optimistic about their futures, and especially about their children's future.

---

4 Marx demonstrated this in his circuit of capital: M-C-M' (money is exchanged for commodities, which are then exchanged for money, with the requirement (or expectation) that M' is greater than M. Once the expectation (or reality) of M' >M goes away the process stops. When the C in the circuit stands for commodities used in production (labour power, raw materials and tools) than the value added to C can be imagined as expanded production (increase in output) with the assumption that this economic growth will lead to an improvement in the standard of living. Yet the C can be just buying commodities in order to sell it for more later (speculation) in which we are in a zero sum game, with gain for the winners coming from the loss of the losers. Here the gain for society is harder to imagine.

5 It was the inevitable fall in the profit rate, coupled with diminishing returns to scale, that made the long-term prospects of capitalism so bleak for the classical economists (as well as Karl Marx, who saw it as part of a larger drama of human history).

Figure 1 EU 14* Gallop Poll in Intergenerational Progress



Source: Gallop Poll (2022)
**Denmark, Finland were not part of the survey. Portugal had data error.*

In Figure 1, we see the results of a recent Gallop Poll (2022) which asked two questions: (1) Do you feel that you are doing better, worse or the same as your parents; and (2) Do you expect your children will do better, worse or the same as you. Globally, just over a majority said they were doing better than their parents (51%) and just under half were optimistic about their children's prospects (44% saying they expected their children to do better). For our EU 14 countries we see a much bigger gap. On average the group saw a 20-point reduction between how many felt they were doing better than their parents and how many thought their children would be better than themselves. Furthermore, 36% think their children will do worse than they did (higher than the 28% global response). While globally people with higher incomes and education were more optimistic about the prospects of progress for their children, for the EU 14 countries that are part of our analysis, only Ireland and the Netherlands had more people select that they expected their children to do better than those who selected worse. For many the rest of the 21st century does not look like it will be much better than the first quarter. So much for the internet age creating the "new economy" of shared prosperity.[6]

When we (Clark and Kavanagh, 1996) first critiqued GDP as a measure of progress for Ireland our main point was that this key macroeconomic indicator had become detached from the lived experience of many, if not most, citizens. Many people felt that if the economy is booming (it was the early stages of the Celtic Tiger economy) why don't they feel it? The reason why most economists felt that GDP was a good measure of progress was because economic growth could provide the wherewithal to solve most, if not all, economic and social problems.

6 See Clark (2002) for a discussion on the new economy.

Given that economists saw "scarcity" as the fundamental economic problem, it is to be expected that the solution to any problem is more. If a country lacked adequate housing, a growing economy would provide the income and resources to build more. Similarly, health, education, leisure time and other recognized elements in a happy life could be better addressed with more wealth.

While we can easily name most of the significant milestones in human history - discovery of fire, invention of the wheel, the domestication of animals, invention of bread and beer - all examples of great human progress, it is unlikely that those who lived at the time of these discoveries and inventions noticed much change in their daily lives. For most of the three hundred thousand years Homo sapiens have existed as a species, the rate of progress was not something an individual person would notice in their lifetime. This is also true for the past six thousand years when Homo sapiens created civilizations. Famines, floods, droughts and wars certainly brought noticeable negative changes, while good weather and peace brought "golden ages", but an overall trend of improvement noticeable in one life span would be rare. Individual progress, or progress for a group would have often occurred, but usually at the expense of other individuals or groups. The wealth and standard of living for Roman citizens improved for many generations during the Roman empire, but this was at the expense of the peoples that were conquered and subjected to their rule.

In fact, throughout history humans have been generally averse to change. Most social institutions are designed to prevent or limit change, promoting stability over the modern idea of progress. The importance of tradition cannot be exaggerated in these societies, for it was in following the tradition of your parents and grandparents that you increased the chances that your community would survive. Adopting tried and true methods for solving the economic problem (providing for the community's material reproduction) is generally, in fact almost always, a more successful strategy for survival than developing new methods of production, distribution and consumption. For most of human history change was often negative, more like Vikings coming up the river than the development of new farming techniques that increase food production. Take for example the revolutionary change of moving from two to three field farming. While it would eventually lead to an agricultural surplus and contributed significantly to the prosperity of the 13th century, it took centuries to become widely adopted - a pace that was barely noticeable to those living through the change.

Every conception of progress is based on values, with progress being defined as movement towards what is valued. Our ancestors valued stability. The aversion to change, even with the potential payoff of material progress, was grounded in the knowledge of interconnectedness, everything was for them (as it is for us) interconnected, and their limited understanding, or their humility, convinced them that making a significant change in one aspect of communal living could disrupt other aspects, with potentially disastrous consequences. No doubt this innate feeling was exploited by those in power as a means of social control, especially if change would threaten the power structure. In their stories and myths there would be examples of small changes that had big negative outcomes. Sustainability was not a buzzword for them, a

concern for some distant future. They understood their connection to the past as well as their connection to the future. Their lives depended on sustainable practices.

2.1 A Short History of the Concept of Progress

The historian Robert Nisbet (2017, p, 4) notes that "no single idea has been more important than … the Idea of Progress in Western Civilization." While he notes that the idea of progress had been around "for three thousand years" (Ibid.) its prominence is amplified by the role it plays in the Enlightenment, where it becomes the dominant lens used to explain their world. Finding the idea of progress in the ancient world is easy enough (Plato and St. Augustine are two important examples) yet the ancients focused more on moral progress, with material progress as a lesser (though noted) goal. They valued communal harmony over individual material gain.[7] For them progress was the individual and the community becoming more virtuous, building a good society. St Augustine contrasted the "city of man" with the "city of God", and while he understood the impossibility of achieving the city of God here on earth, a good society is one that moves in that direction. Progress centered on justice and virtue. When the Ancients included material progress in their analysis, it was usually the outcome of moral progress - *not progress itself*. The Christian view of progress is greatly influenced by the New Jerusalem section of Isaiah (60-66) where the people of Israel are told that if they followed God's laws they will be rewarded with, among other blessings, "the wealth of the nations" (60:5, see also 61:6 and 66:12). Many have suggested that this phrase inspired Adam Smith, whose Oxford scholarship was intended to prepare him to become a minister.

Today progress has been reduced to material progress, with other forms of progress (social, political, health) being the result of increases in material production (wealth). As Ronald Wright (2019, p. 4) notes: "the idea of material progress is a very recent one – 'significant only in the past three hundred years or so' – coinciding closely with the rise of science and industry and the corresponding decline of traditional beliefs. We no longer give much thought to moral progress – a prime concern of earlier times – except to assume that it goes hand in hand with the material."

2.2 Moral Progress as Foundation

The originator of much of our contemporary understanding of progress – Adam Smith – still had a foot in the older philosophical perspective of progress, viewing moral progress as a prerequisite to material progress. Long before Adam Smith's time, morals and ethics had become embedded in economic theory and practice and Smith does not break with

7 We see this clearly in Aristotle's defense of private property rights. In noting the various combinations of ownership and use, he rejects common ownership coupled with either private or common use, and proposes instead private ownership for common use. He doesn't even consider private ownership for private use, as such a system would create individuals who lacked virtue.

this tradition. It is no accident that the earliest writings we have on economic issues are from a moral or religious perspective, for the writers understood the role ethics played in well-ordered societies. All economic issues and actions are necessarily social as they involve humans working with other humans. We see this clearly when we break economics down to its three basic categories: production, distribution and consumption. Every act of production, whether it is a good or service, tangible or intangible, involves people working with other people. Working together, cooperating with others, is the single most important ingredient to success in any enterprise. Even Robinson Crusoe, the archetype of neoclassical economic theory's reliance of methodological individualism, was not an autonomous economic agent when he provided for his economic needs while stranded alone on an island, for his work was shaped by the inherited knowledge of the culture and country he came from, thus generations of accumulated technical knowledge assisted him in everything thing he did. To be truly alone (that is separate from other humans) he would have had to have been first raised by wolves and then stranded on an Island (wolf children were another popular motif of that era).[8]

Similarly, distribution and consumption are social actions. While distribution is clearly social as it involves dividing the economic pie between competing claims, economists often insist that consumption is a solitary action, involving individual economic agents making choices informed by prices, their autonomous preferences and their income (how much money they have) which is generally seen as their initial endowment (earning money, like making goods, takes time and neoclassical economic theory exists in a timeless reality). None of the other social sciences take this view seriously. One does not have to read Thorstein Veblen (1899) or Mary Douglas (Douglas and Isherwood 1979) to see the folly in this view. If you watch television or any social media, you will discover that media exists first to influence consumption behavior, with all other content being there merely to get your attention for the real reason media content is produced. This is why over a trillion dollars a year is spent on marketing.

Since all economic activity is social, involving working with others, it should not surprise us that rules, norms, customs and values need to have been first developed so that individuals can work with others. Thus, we find the earliest writings on economic issues in religious and moral texts focus on economic activities from an ethical perspective. The purpose of these texts is not to provide a theory of economic activity, but instead to give guidance on how the activities can be carried out in an ethical manner, in a way that will not weaken the social bond.

The fundamental role ethics plays in a successful economy is seen most clearly in the writings of Adam Smith, who is given credit for focusing economist's attention on individuals

8 See Werner Stark (1976) *The Social Bond: An Investigation into the Bases of Law-abidingness*, Vol 1.

rather than on society.[9] The individual freedom which Smith emphasizes in his *The Nature and Causes of the Wealth of Nations* (1976b) is built upon the individual developing self-control, which is the focus of his earlier book *The Theory of Moral Sentiments* (1976a). Individuals acting in their own self-interest must be constrained by what Smith calls the "impartial spectator" (one's conscience developed through social interaction) so that economic exchanges are mutually beneficial and not exploitative. Smith (1976a, p. 9) starts *The Theory of Moral Sentiments* by stating: **"**How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it…. The greatest ruffian, the most hardened violator of the laws of society, is not altogether without it." And later in the book he notes the role of the 'impartial spectator" in regulating our actions when they will negatively impact others: "It is he who shows us the propriety of generosity and the deformity of injustice; the propriety of resigning the greatest interests of our own, for the yet greater interests of others, and the deformity of doing the smallest injury to another, in order to obtain the greatest benefit to ourselves" (Ibid., p. 137). Thus, when we read in *The Wealth of Nations* (1976b, p. 26-27) that "it is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages", Smith is not endorsing an Ayn Rand selfish ideal. Self-interest for Smith is prudence, not greed.

We should remember that both of Smith's famous books were part of a two-year course on Moral Philosophy he taught at the University of Glasgow in the 1750s-60s. In looking at the entire body of Smith's work we see that Smith understood the challenge posed by viewing material progress as the sole or primary human motivation. Specifically, Smith saw that the values that underlie the pursuit of profits and material gain can eat away at the values that hold society together and become a threat to both the social and material well-being of the community (we return to this below).

2.3 The Idea of Universal Progress

At the beginning stages of capitalism, the goal of material progress was paramount, but the benefits of such progress were not intended for everyone but instead was meant to go solely to the merchants and the Sovereign. The Mercantilist writers understood progress as more wealth for themselves and increased riches (especially gold and silver bullion) for the country. Furthermore, they had a clear understanding of how to accumulate riches: using government power to achieve a trade surplus which would bring increased flows of gold and silver into the country and greater profits for themselves. An essential part of their strategy of accumulating

9 According to George Stigler (1976, p. 1201), this is Smith's most important contribution to economics: "Smith had one overwhelmingly important triumph: he put into the center of economics the systematic analysis of the behavior of individuals pursuing their self-interest under conditions of competition."

riches was keeping workers poor, thus that the surplus (increase in wealth) went to themselves. Low wages kept production costs low (promoting international competitiveness) and it freed up more domestic production for the export market, since workers could not afford to purchase the goods they had produced. And low wages forced workers to work more hours. Higher wages (rising the standard of living of workers), the Mercantilists argued, would thwart progress as it would lower profits (the accumulation of gold and silver) and cut output (they felt that higher wages would prompt workers to work less, with most spending their new surplus at the pub) and thus would leave the country poorer. It was a maxim of mercantilist economic theory that "people were the wealth of a nation" viewing the people as a resource to be exploited, in the same manner that oil rich states view petroleum reserves as the wealth of their nations. A few quotes will show us the common attitude:

> "The surest wealth consists in a multitude of laborious poor.. [and].. great Numbers of them should be Ignorant as well as Poor"
>
> *(Bernard de Mandeville, 1732)*
>
> "Everyone but an idiot knows that the lower classes must be kept poor or they will never be industrious."
>
> Arthur Young
>
> "Poverty ... is a most necessary and indispensable ingredient in society, without which nations and communities could not exist in a state of civilisation. It is the lot of man —it is the source of wealth, since without poverty there would be no labour, and without labour there could be no riches, no refinement, no comfort, and no benefit to those who may be possessed of wealth."
>
> (Patrick Colquhoun, the founder of the police force in England, 1806, p.7).[10]

This view that "people are the wealth of a nation" and the various Mercantilists' proposals (often called common or modest proposals) in the early 18th century provided the inspiration for Jonathan Swift's famous work of satire "A Modest Proposal" (which is as much a critique of mercantilist thought as it was a condemnation of the conditions in Ireland at that time).

The idea of progress as a rise in the general standard of living was proposed in the 1750s, first by Anne Robert Jacques Turgot and then soon after by Adam Smith. In Turgot's famous essay on *Universal History*, he states that "the whole human race, through alternative periods of rest and unrest, of weal and woe, goes on advancing, although at a slow pace, towards

10 All quotes from Ravallion (2016), chapter 1.

greater perfection" (Turgot, 1973, p. 41).[11] Soon after Turgot's famous public lecture, Adam Smith give a less well known public lecture (in 1755) where he gives a simple road map for achieving universal material progress (1980, p. 322): "Little else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and a tolerable administration of justice; all the rest being brought about by the natural course of things." *The Wealth of Nations*, published in 1776, is an expansion on this thesis. Smith's *magnum opus* was an all-out assault on the Mercantilist system, changing the focus of economic growth away from accumulating treasure and towards the production of goods and services to be consumed by the average citizen (thus raising their standard of living).

In his discussion on the factors that determine wages Smith explicitly rejected the Mercantilist contention that wages must be kept low (WN, Book 1, Chapter 8). After noting that real wages (what workers can purchase with their wages) have been increasing, Smith asks the question: "Is this improvement in the circumstances of the lower ranks of the people to be regarded as an advantage or as an inconveniency to the society?" (1976, p. 96) clearly challenging the widespread Mercantilist belief that the poor must be kept poor. Smith writes:

> "The answer seems at first sight abundantly plain. Servants, labourers and workmen of different kinds, make up the far greater part of every great political society. But what improves the circumstances of the greater part can never be regarded as an inconveniency to the whole. No society can surely be flourishing and happy, of which the greater part of the members are poor and miserable. It is but equity, besides, that they who feed, cloath and lodge the whole body of the people, should have such a share of the produce of their own labour as to be themselves tolerably well fed, clothed, and lodged" (ibid).

He goes on to note that a "liberal reward" to workers increases population and prosperity, as well as the "industry of the common people." The great optimism of Turgot and Smith was tied to the belief that a "society of perfect liberty" (to use Smith's terminology) or as we might say today "laissez-faire capitalism" would naturally produce prosperity *and* equality. Providence had so ordered the universe, and this order was imprinted into the nature of each human.

---

11 While Turgot's essay is seen as a complete break with the past, this ignores both the influence of Bishop Bossuet's "Discourse on Universal History" published in 1681, which built upon the ideas of St. Augustine, and that Turgot's famous lecture was proceeded six months earlier by Turgot's first public lecture "The Advantages which the Establishment of Christianity has procured for the Human Race," where Turgot notes Christianity's role in improving public morals (a necessary precondition for material progress that Adam Smith also makes in his *Theory of Moral Sentiments* published in 1759).

2.4 Adam Smith and Progress as Consumption and Production

The wealth of a nation for Smith is the amount of goods and services that the population can consume. As he states in the first sentence of *The Wealth of Nations* (Ibid., p. 10):

> "The annual labour of every nation is the fund which originally supplies it with all the necessaries and conveniences of life which it annually consumes, and which consists always, either in the immediate produce of that labour, or in what is purchased with that produce from other nations.
>
> According therefore, as this produce, or what is purchased with it, bears a greater or smaller proportion to the number of those who are to consume it, the nation will be better or worse supplied with all the necessaries and conveniences."

According to Smith two factors determine whether the nation is "better or worse supplied": (1) "the skill, dexterity and judgement with which its labour is applied"; and (2) by the proportion who are employed in productive labour and those who are not so employed. For Smith productive labour is producing the goods and services that provide necessaries and conveniences. Not much is made of productive and unproductive labour[12] today, instead the distinction is between paid and non-paid labour, with paid labour contributing to GDP and non-paid labour being excluded.

Progress is economic growth (increase in Gross Domestic Product), and it is brought about by individual's pursuing their own self-interest yet guided by the "invisible hand" of market competition to benefit society as a whole. This process creates and extends the "division of labour" which allows workers to increase their production of goods and services and in the process reducing the cost of production and therefore the prices of goods and services, which leads to an increase in the standard of living (increase in real wages). Smith argued that by removing the Mercantilist artificial trade barriers, the government can allow the division of labour to keep expanding, leading to prosperity being shared by all.

The key to individual actions leading to material prosperity is Smith's famous "invisible hand." In many ways Smith's "invisible hand" is similar to St. Augustine's view of the role of God in history, what would later be called "the heterogony of purposes."[13] Smith only uses the

12 Unproductive labour in Smith's day would be household servants, public employees like the military and police, or any activity that did not lead to a salable product or service in a market. Such work could be necessary to support productive work (like law and order) but did not increase the supply of goods and services to the country.

13 See Stark *Social Theory and Christian Thought*, p. 27 analysis of this principle in Augustine and note how similar it is to Smith.

phrase "invisible hand" twice in an economic context, but it is key to Smith's argument that the individual's control of property is essential for progress, as it promotes both *efficiency and equity*. In *The Wealth of Nations,* he uses the term to show how individuals controlling the capital structure of the economy (productive property) for their own self-interested will in the end promote society's prosperity better than if the State controlled and directed how capital would be used.

> "[E]very individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. … by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by *an invisible hand* to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good"
>
> (Smith, 1976b, p. 456, italics added).

In *The Theory of Moral Sentiments* Smith uses the "invisible hand" to argue that markets will promote equity – not in incomes, but in the quality of life.

> "The rich only select from the heap what is most precious and agreeable. They consume little more than the poor, and in spite of their natural selfishness and rapacity, though they mean only their own conveniency, though the sole end which they propose from the labours of all the thousands whom they employ, be the gratification of their own vain and insatiable desires, they divide with the poor the produce of all their improvements. They are led by *an invisible hand* to make nearly the same distributions of the necessaries of life, which would have been made, had the earth been divided into equal portions among all its inhabitants, and thus without intending it, without knowing it, advance the interests of society"
>
> (Smith 1976a, p. 184-85, italics added).

From the above quote we can see Smith's optimism on the possibility of achieving a society where everyone was able to have an adequate standard of living. The rich consume a higher quality of the production of society, but not a greater quantity. Their love of luxury prompts them to employ the lower classes, thus spreading the benefits of increased production more equally.

Smith and the classical economists did not see unlimited economic growth as a possibility, for eventually society would settle down to a stationary state (or worse fall into decline). For Smith the end of economic growth would come from the exhaustion of the possible benefits of the "division of labour." Thomas Robert Malthus and David Ricardo were less optimistic regarding the prospects of improving the standard of living of the working classes. For Malthus the main barrier was population growth, with every increase in food production, being met by a growth in the number of people to feed. For David Ricardo the barrier to growth was diminishing returns to scale in agricultural production, which would lead to higher food costs (as less fertile land was brought into cultivation) and higher food costs required wages to increase, which cut into profits and the accumulation of capital. Ricardo notes that in a growing economy workers' wages would be greater than subsistence, thus breaking from the "Iron Law of Wages" doctrine which argued that workers' wages would always tend towards subsistence, yet this would only be a temporary situation. Inspired by a Newtonian view of the universe, they saw progressive countries eventually slowing down to a stationary state, and declining societies declining at slower and slower rates, also reaching a stationary state. Smith looked at China in the 18th century as an example of a stationary state.

John Stuart Mill, more than the other classical economists, saw some benefits from countries being in a stationary state. Mill (1965, p. 753) states: "It must always have been seen, more or less distinctly, by political economists, that the increase of wealth is not boundless: that at the end of what they term the progressive state lies the stationary state, that all progress in wealth is but a postponement of this, and that each step in advance is an approach to it." Mill starts the chapter titled "Of the Stationary State" in his *Principles of Political Economy* (Ibid.) by noting that the general purpose of economic theory has been to develop a "general theory of the economical progress of society: … the progress of capital, of population, and of the productive arts." This requires asking the question: "to what goal? Towards what ultimate point is society tending by its industrial progress? When the progress ceases, in what condition are we to expect that it will leave mankind?" For Mill (Ibid., p. 753-55), writing in the 1840s with industrialization in full force, beyond anything Smith or Ricardo had witnessed, such a stationary state would be an improvement over the present situation:

> "I am inclined to believe that it would be, on the whole, a very considerable improvement on our present condition. I confess I am not charmed with the ideal of life held out by those who think that the normal state of human beings is that of struggling to get on; that the trampling, crushing, elbowing, and treading on each other's heels, which form the existing type of social life, are the most desirable lot of human kind, or anything but the disagreeable symptoms of one of the phases of industrial progress." … "[T]he best state for human nature is that in which, while no one is poor, no one desires to be richer, nor has any reason to fear being thrust back by the efforts of others to push themselves forward.

The stationary state Mill (Ibid.) envisions would have two features: "a well-paid and affluent body of labourers; no enormous fortunes, except what were earned and accumulated during a single lifetime; but a much larger body of persons than at present, not only exempt from the coarser toils, but with sufficient leisure, both physical and mental, from mechanical details, to cultivate freely the graces of life, and afford examples of them to the classes less favourably circumstanced for their growth. This condition of society, so greatly preferable to the present, is not only perfectly compatible with the stationary state, but, it would seem, more naturally allied with that state than with any other."

Mill also notes the environmental threat of an ever-expanding economy (Ibid. p. 756):

> "Nor is there much satisfaction in contemplating the world with nothing left to the spontaneous activity of nature; with every rood of land brought into cultivation, which is capable of growing food for human beings; every flowery waste or natural pasture ploughed up, all quadrupeds or birds which are not domesticated for man's use exterminated as his rivals for food, every hedgerow or superfluous tree rooted out, and scarcely a place left where a wild shrub or flower could grow without being eradicated as a weed in the name of improved agriculture. If the earth must lose that great portion of its pleasantness which it owes to things that the unlimited increase of wealth and population would extirpate from it, for the mere purpose of enabling it to support a larger, but not a better or a happier population" (Ibid., p. 756).

Mill argues that the stationary state will refocus "progress" towards the ancient goal of human improvement: "It is scarcely necessary to remark that a stationary condition of capital and population implies no stationary state of human improvement. There would be as much scope as ever for all kinds of mental culture, and moral and social progress; as much room for improving the Art of Living, and much more likelihood of its being improved, when minds ceased to be engrossed by the art of getting on."

2.5 Economic Possibilities of Keynes's Grandchildren

John Maynard Keynes continued in the same tradition of the classical economists who saw that the natural trajectory of capitalist development is towards some version of a stationary state, that at some point in the future society's will solve the "economic problem" and then transition to a new society, one which no longer prioritizes the accumulation of capital and the drive for profits as the most important goal. Writing at the beginning of the Great Depression (which he calls a "a temporary phase of maladjustment") Keynes notes that in "the long run" humans are "solving its economic problem." By Keynes calculation the standard of living in Europe and the United States since the beginning of the capitalist age, around 1600 to 1930 had risen 4-fold and he expected it to improve between 4 to 8 times in the next century (by 2030).

In Tables 1 and 2 we see that Keynes's projections are reasonable. Keynes does not provide any information on how we could measure "standard of living" and it is only after the development of national income accounting, which we should note was greatly influenced by the macroeconomic framework Keynes developed in *The General Theory of Employment, Interest and Money* (1936), that Gross Domestic Product per capita becomes the leading metric for measuring it. Based on the data provided by the Maddison Project (which provides estimates of GDP per capita and population going back to year 0 for a few countries, and 1820 for most countries. The average factor of growth for the eight European countries which has data going back to 1600 (the turning point Keynes identifies) is 3.2, which is brought down by the three countries that experienced a great revival in economic activity in the 15th and 16th centuries (Italy, Spain and the Netherlands), such that by 1600 the Netherlands has twice the income level as most of the other European counties.

Table 1 Various Countries Per capita GDP Increases from 1600-2022

	1600	1930	2022	1600-1930	1930-2022
Belgium	$2,533	$7,936	$41,872	3.1	5.3
France	$1,576	$7,224	$39,066	4.6	5.4
Finland	$1,191	$4,250	$40,701	3.6	9.6
Italy	$2,543	$4,631	$36,224	1.8	7.8
Netherlands	$4,270	$8,931	$49,670	2.1	5.6
Spain	$1,295	$3,918	$34,123	3.0	8.7
Sweden	$1,258	$6,755	$47,126	5.4	7.0
United Kingdom	$1,691	$8,673	$38,407	5.1	4.4
Average	$2,045	$6,540	$40,899	3.2	6.7

Source: Maddison Project. Values in 2011 US Dollars.

Table 2 EU 14 increase in Standard of Living, 1930-2022

Country	Factor Increase
Austria	7.7
Belgium	5.3
Denmark	6.0
Finland	9.6
France	5.4
Germany	7.4
Greece	7.0
Ireland	13.0
Italy	7.8
Netherlands	5.6
Portugal	11.6
Spain	8.7
Sweden	7.0
EU 14 AVG	7.8

Source: Maddison Project.

In Table 3 we see how our EU 14 group does in the 92 years since Keynes's projection. Keynes projected increases of a factor of 4 to 8 and the average for the EU 14 is 7.8. We can add this to the list of the many successful economic predictions Keynes provided.

The main point of Keynes's essay "Economic Possibilities For Our Grandchildren" was to point out that once the economic problem has been solved, that is once we can adequately provide a decent standard of living for all citizens, we can de-emphasize the importance of greed and accumulation, and bring back the values that have been sacrificed in order to promote economic growth. Keynes wrote (1963, p. 369-70):

> "When the accumulation of wealth is no longer of high social importance, there will be great changes in the code of morals. We shall be able to rid ourselves of many of the pseudo-moral principles which have hag-ridden us for two hundred years, by which we have exalted some of the most distasteful of human qualities into the position of the highest virtues. … The love of money as a possession - as distinguished from the love of money as a means to the enjoyments and realities of life - will be recognized for what it is, a somewhat disgusting morbidity, one of those semi-criminal, semi-pathological propensities which one hands over with a shudder to the specialists in mental disease. All kinds of social customs and economic practices, affecting the distribution of wealth and of economic rewards and penalties, which we now maintain at all costs, however distasteful and

unjust they may be in themselves, because they are tremendously useful in promoting the accumulation of capital, we shall then be free, at last, to discard."

The rise in leisure time was one of the areas that Keynes noted would be an important feature once the economic problem has been solved. Keynes is pretty optimistic, suggesting 3-hour shifts and 15 hour work weeks (producing a workload of around 780 hours per year). Table 3 provides the fall in hours worked for the EU 14 countries in this study. And while we can see the trend is in the direction Keynes suggested, we are still a long way from his leisure rich society. The rise of Artificial Intelligence is projected to dramatically reduce the number of people working in many fields (see Clark and Gevorkyan, 2020 for an overview of this issue), but it is doubtful that it will cut work in half in the next 8 years.

Table 3 Change in Annual Hours Worked, 1970-2023

Country	Annual Hours 2023	% Decline since 1970
Germany	1,343	-31.5
Denmark	1,380	-25.2
Netherlands	1,413	-21.9
Austria	1,435	na
Sweden	1,437	-8.0
Luxembourg	1,462	-22.4
Finland	1,499	-21.9
France	1,500	-24.7
Belgium*	1535	-18.5
EU 14 AVG	1,538	-21.2
Portugal	1,631	-16.9
Spain	1,632	-20.2
Ireland	1,633	-28.6
Italy	1,734	-15.1
Greece	1,897	na

*Source: OECD, * 2022*

3

Progress Traps

One consistent feature of human history has been the rise and fall of civilizations. Numerous great civilizations have made significant progress and then decline or disappear. Sometimes, like with the collapse of the Bronze Age cultures that once dominated the Mediterranean, outside forces seem to play a significant role. But often it is the inner logic of the nations or cultures working out to a disastrous natural conclusion. What made them grow eventually undermined their progress. These endogenously generated collapses have been called "progress traps." A progress trap is when the factors that promoted the rise of a specific culture become a major contributor to their decline. In his *A Short History of Progress* (2019, p. 8) Robert Wright gives an early example of a progress trap: "Palaeolithic hunters who learnt how to kill two mammoths instead of one had made progress. Those who learnt to kill 200 – by driving a whole herd over a cliff- had made too much. They lived high for a while, but then starved". "The perfection of hunting spelled the end of hunting as a way of life. Easy meat meant more babies. More babies meant more hunters. More hunters, sooner or later, meant less game. Most of the great human migrations across the world at this time must have been driven by want, as we bankrupted the land with our moveable feasts" (Ibid., p. 39). Wright gives many examples of civilizations that have fallen into "progress traps", such as Easter Island, Mayans and the Roman Empire. He notes that nuclear weapons are a classic example of a progress trap as humans grow powerful based on their ability to blow things up, potentially blowing everything up.

3.1 Progress Trap 1: Moral Decay

While many economists had noted that capitalism would help solve the "economic problem" and usher in a new era where humanity could focus on higher goals,[14] only a few saw

14 This is in fact Karl Marx's main argument. For him the class struggle helps society avoid the progress trap, as the society transforms from Capitalism to Socialism to Communism. What an optimist!

that the very factors that created capitalism's great success could also be what undermines it. In his lectures to his students Adam Smith stated: "These are the disadvantages of a commercial spirit. The minds of men are contracted, and rendered incapable of elevation. Education is despised, or at least neglected, and heroic spirit is almost utterly extinguished" (Smith, 1978, p. 541). Towards the end of *The Wealth of Nations*, Smith returns to the topic of the division of labour (the source of material progress), but here to warn that eventually it could undercut the process of human innovation it created. It thus becomes a "Progress Trap," leading possibly to decay and decline.

Writing before the widespread use of machines had become a problem to worry about, Smith discovered one of the progress traps we now worry about. As we saw above, Smith saw that material progress (the increase in output per worker) was produced by the division of labour, which leads to workers increasing their skill and dexterity as well as the development and use of machines. Today economists refer to this as "economies of scale" and it is still the main argument for free trade as it allows businesses to expand their markets and thus achieve the maximum benefit from economies of scale. This is one of the reasons for the existence of the European Union – to allow European businesses to exploit greater economies of scale.

Increases in output come from increasing the productivity of workers, the result of workers' specialization. However, Smith also notes that there is eventually a downside to the division of labour when it is taken to its logical conclusion (Ibid., p. 781-82 italics added):

> In the progress of the division of labour, the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a few very simple operations, frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments. The man whose whole life is spent in performing a few simple operations, of which the effects are perhaps always the same, or very nearly the same, has no occasion to exert his understanding or to exercise his invention in finding out expedients for removing difficulties which never occur. *He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble, or tender sentiment, and consequently of forming any just judgment concerning many even of the ordinary duties of private life.* … His dexterity at his own particular trade seems, in this manner, to be acquired at the expence of his intellectual, social, and martial virtues. But in every improved and civilized society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.

Our critical thinking skills come from being used, yet when people have jobs in which they are reduced to doing one or two simple tasks, they lose such skills. Just imagine how "stupid and ignorant" people will become if they are made completely redundant by machines. This for Adam Smith was the natural course of things, the result of the "invisible hand" and natural laws, and is not due to government interventions or policy mistakes. The only way to avoid it is for "government" to "take some pains to prevent it". This is no small problem in Smith, for the division of labour, the very factor that produces material progress, is the cause of the end of that progress, causing decline and decay rather than happiness and well-being. As Robert Heilbroner (1973, p. 254) noted, in Smith we see the "dilemma of economic progress accompanied by moral decay, and of moral decay coupled, in the end, with economic stagnation."

Adam Smith, defender of limited government and hero of Laissez-faire, is calling for government intervention in the free market to save it from what is the logical outcome of free markets. Surprisingly, nearly every major economist comes to the same conclusion, governments need to take an active role in minimizing the costs of capitalism (climate, inequality and now AI).

3.2 Progress Trap 2: Climate Crisis

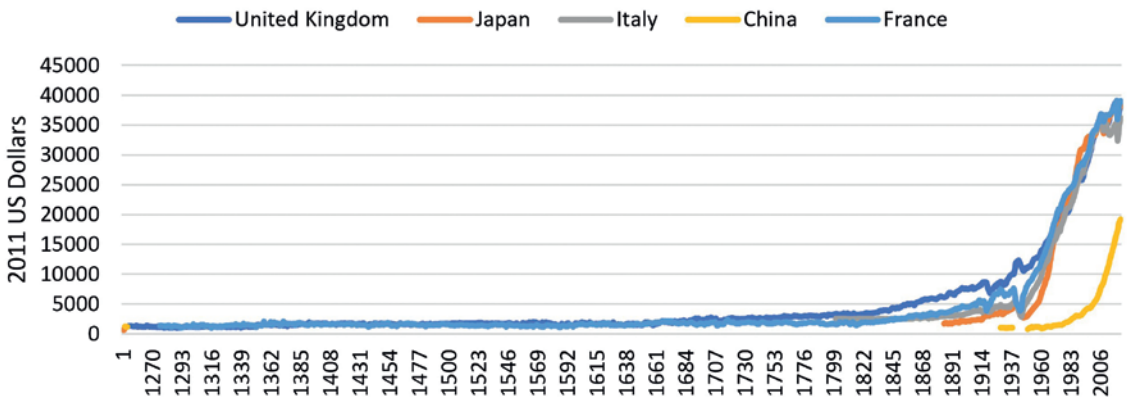
As we have seen above, progress is usually seen as economic growth with Gross Domestic Product per capita being the most common way of measuring it. For the post-World War Two era, the primary focus of government policy has been to promote economic growth. This was the means that would allow governments and society to achieve what they wanted, and it was the metric by which governments would be judged as successes or failures. While it is obvious that economic growth means more goods and services people can consume, thus is an increase in their standard of living (Adam Smith's standard of progress) a growing economy is seen as critical for solving all other social problems. As Benjamin Friedman stated in *The Moral Consequences of Economic Growth* (2005, p. 4): "[e]conomic growth - meaning a rising standard of living for the clear majority of citizens - more often than not fosters greater opportunity, tolerance of diversity, social mobility, commitment to fairness, and dedication to democracy."[15] Hence, reducing poverty and inequality, protecting the environment, providing for the national defence, building infrastructure or just fixing potholes - whatever the goal - economic growth was a major part of the solution.

15 The 2024 elections in the USA do not seem to confirm Friedman's optimism about economic growth, as the Biden administration provided significantly higher growth rates in per capita real GDP (3.25% average quarterly rate through December 2024 to 2.51% for the Trump Administration) as well as historically strong job creations (16 million more working in December 2024 compared to the 2.7 million reduction in number of people working during Trump's first term), yet the public voted to return Trump on a platform which was against fostering greater opportunity, is blatantly intolerance of diversity, will construct barriers to social mobility, is against fairness (especially in terms of how the law is applied) and is a threat to democracy (he tried to overturn the 2020 election).

Progress and Progress Traps as seen in Hockey Stick Graphs

We see the great success story of material progress in the famous "hockey stick" graph of economic growth, which shows stable levels of per capita economic output for about 1800 years followed by a slight trend upward for about 150 years and ending in a sharp rise since 1950 (post WWII era). This graph is seen by many as proof of the success and superiority of capitalism, a statement that Karl Marx would accept as much as Adam Smith.[16] As we saw above, many of the "worldly philosophers," from Smith to Mill to Keynes, saw capitalism as necessary in the short run to create, in the long run, a better society.

Figure 2 GDP Per Capita Various Countries, 1-2023



Source: Maddison Project, 2023.

The current environmental problems, including climate change, are largely the result of the pollution released during the process of economic growth. One of the reasons for the success of the last two hundred years has been the increased availability and low cost of fossil fuels, which as a byproduct of its use released previously trapped greenhouse gases into the atmosphere, which is now changing our 21st century climate and raising average global temperatures. This is a classic negative externality in production and consumption. An externality is when an economic activity (production or consumption) is undertaken and there are costs on people who are not part of the exchange (neither consumer nor producer). Part of the cost of the increase in burning fossil fuels has been the release of greenhouse gases into the atmosphere, which is negatively affecting people today. These negative costs were not imposed on the producers and consumers (mostly in the advanced capitalist countries) over the past three hundred years, such that these past economic activities were subsidized by those paying the costs in the 21st century.

16 Marx was a great fan of the material success of capitalism both in its ability to replace feudalism and its setting the stage to be replaced by socialism and communism.

The World faces numerous environmental challenges, both local and global. A 2023 survey of environmental researchers at UCC[17] listed "five worrying trends for Ireland's environment":

1. Two weather records (warmest June and Wettest July) in 2023;
2. More than 85% of Ireland's energy needs come from fossil fuels;
3. Ireland spends €1 million per hour on oil and gas (2022);
4. 63% of Ireland's bird species are in decline;
5. More than half of Ireland's native plants are in decline.

While it is often said that "all politics is local" it is becoming the case that most environmental problems are increasingly global, both in their causes and in their solutions. Ireland's rain and temperatures (challenge 1) are not the result of Ireland's activities, but reflect global emissions, but challenges 2 and 3 record Ireland's contribution to the global problem. Challenges 4 and 5 are caused by a mixture of both local actions (such as land use policy) as well as rising global temperatures (which are dramatically affecting both animal and plant habitat).

Sustainable development cannot mean the prevention of development in the poor countries so that rich countries can sustain their lifestyles. Planetary boundaries, both the limited resources and the limit on the planet to absorb the pollution caused by extracting an ever-higher rate of natural resources, means it is impossible for all the planet's 7 billion people to attain a typical western lifestyle. The Western countries must develop an economic model which is not based on generating a high flow of waste to maintain high levels of employment and corporate profitability. This involves decoupling economic output from pollution. Critically, it also involves a cultural shift away from conspicuous consumption and throw-away society (Clark and Alford, 2019).

The increasing evidence of the effect of human activity on the planet (especially the waste-based consumption patterns of advanced capitalist countries) has forced change in how development is to be understood and pursued. A country with large forests could achieve a high growth rate in GDP by cutting down its trees and selling them on the international market. This could continue for years, but will end when the country runs out of trees. Unless the money from the sale of trees was used to plant new trees to replace what was cut down, or the money was invested in another sector that could replace the revenue that would be lost when they run out of trees (and compensate for the many environmental challenges that de-forestation causes), it is not a sustainable path to development. Yet it is the path countries have followed for decades, using up resources without regard to the long-run implications. Pursuing policies that

17 https://www.rte.ie/brainstorm/2023/1129/1419216-ireland-environment-trends-2023/

create short term economic growth but that also harm families, weaken social institutions, and generate greater inequality, are not sustainable.

Figure 3 Global Temperature, 1850-2024

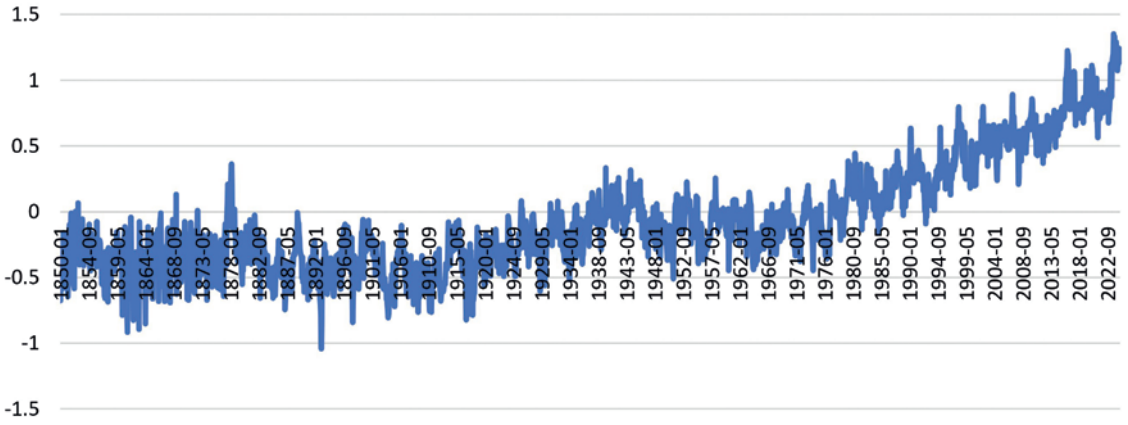
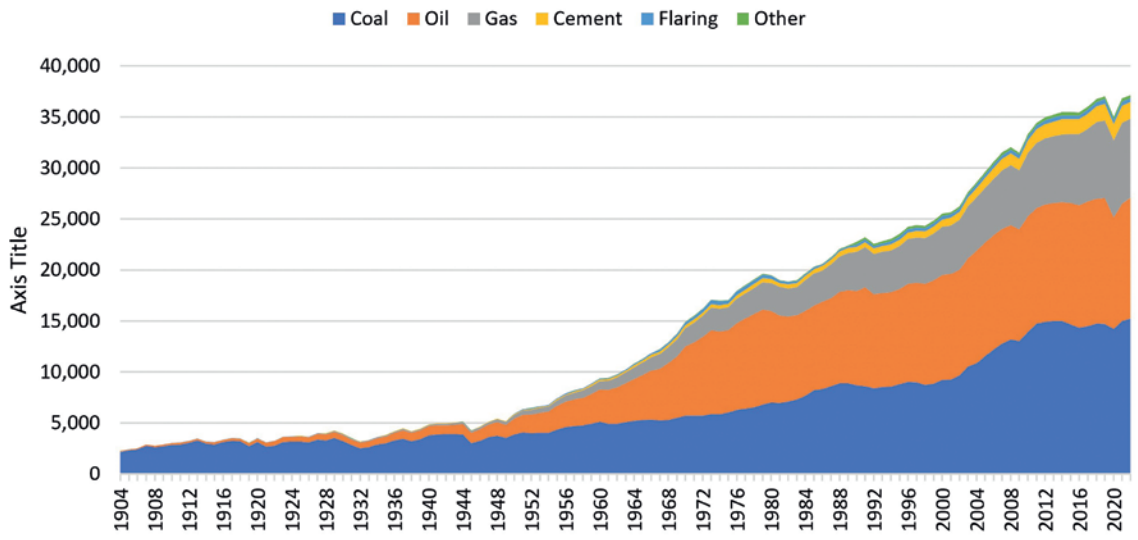


Figure 4 World Annual CO2 Emissions by Source, 1904-2023

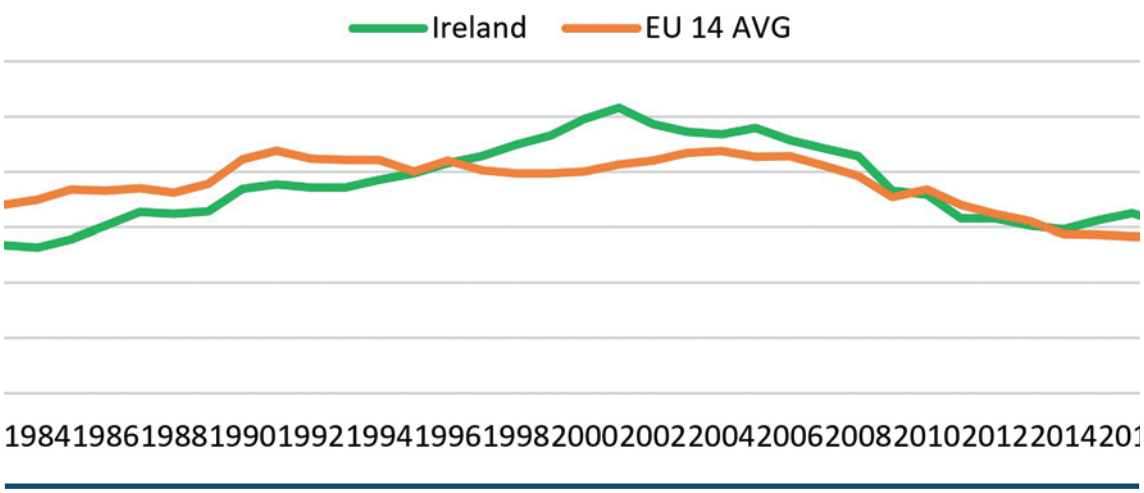


Source: Global Carbon Budget (2024) Population based on various sources (2024) – with major processing by Our World in Data

In Figures 3 and 4, we see the other side of the coin of the hockey stick economic growth graph, with the rise in global temperatures and CO2 emissions coinciding with the rise in GDP, both of which start with the Industrial Revolution and the increased rates of burning fossil fuels. While the rate of emissions in many advanced economies had slowed down or even

declined, it is not enough to account for the growth in the developing countries (especially China and India) much less to deal with the accumulated greenhouse gases in the atmosphere. Man-made climate change is not the result of annual flow of greenhouse gases, but it is caused by the stock already accumulated over the past three centuries. The improvements we see in Figure 5 for Ireland and the EU 14 is a step in the right direction, but it is not nearly enough to prevent the negative effects of climate change.

Figure 5 Ireland and EU 14 AVG CO2 Emissions per capita, 1980-2023



3.3 Progress Trap 3: Inequality

Just as the burning of fossil fuels powered industrialization and now threatens the viability of life as we know it on the planet, so too has the drive to accumulate wealth powered the rise of capitalism and created the extreme inequality which now also threatens the advanced capitalist countries. While all economists would agree that a certain amount of inequality is necessary so that incomes are used as incentives, reflecting market forces (supply and demand) it is hard to find many leading economists who do not feel that current levels of inequality are dangerously high and nowhere near the levels needed to promote economic efficiency.

Market created incomes (wages, rents, interest, and profits) are prices which need to go up and down when there is an imbalance between what people want to buy and what people are willing to sell. The ability of prices to balance supply and demand is seen as market efficiency. From this perspective, people have high or low incomes based on how much the market values what they offer to sell. High incomes are merely a high price because of scarcity (shortages) or productivity and thus need to be high to create an incentive for producers (workers) to increase the supply (obtain the skills necessary to get high demand jobs) or for users to reduce their demand (find substitutes). Similarly, low incomes are the result of a surplus (supply greater than demand) and therefore create an incentive for people to exit low paying activities and

move to the areas where there is higher demand. Economists have argued since Adam Smith's time that this market process should, by correcting the imbalance, move workers to where they can earn more and thus reduce inequality. Inequality is thus a means to achieve the end of economic efficiency. In an efficient economy, income differentials will be just enough to provide the incentives needed to get people to acquire the skills, education, and training (human capital) necessary for them to perform high value economic activities. This, at least in theory, is how a market is supposed to work.

The link between inequality and market efficiency was most famously made 50 years ago by Arthur Okun (1975, p. 1) in his book *Equality and Efficiency: The Big Tradeoff.* Okun noted that American society (and all advanced capitalist economies) was based on the idea of social and political equality along with a competitive market economy:

> "American society proclaims the worth of every human being. All citizens are guaranteed equal justice and equal political rights. Everyone has a pledge of speedy response from the fire department and access to national monuments. As American citizens, we are all members of the same club.
>
> Yet at the same time, our institutions say "find a job or go hungry," "succeed or suffer." They prod us to get ahead of our neighbors economically after telling us to stay in line socially. They award prizes that allow the big winners to feed their pets better than the losers can feed their children."

The main point of Okun's book was that advanced capitalist economies could afford the small loss in economic efficiency to, in effect, purchase more equality. Ironically, in fact tragically, Okun's "big tradeoff" framework of equality vs efficiency was adopted by conservative governments to push economic growth by explicitly creating more inequality. By the late 1970s capitalist economies were in crisis as the double oil shocks and persistent inflation caused stagflation (both high inflation and high unemployment at the same time).[18] For Reagan, Thatcher and their followers, the most effective way to promote economic growth (efficiency) was to increase inequality (cut taxes on the rich, cut support for middle- and low-income households). Policies designed to benefit the rich with the goal of eventually benefiting everyone else were called "trickle-down economics" or "supply-side economics." In many ways this was not a new policy, giving more money to the rich in the name of benefiting society has always been a feature of capitalism.

In 1920 John Maynard Keynes took a charitable view towards the rise in inequality during the Industrial Revolution, seeing it as necessary to fund the capital accumulation (investing

18 The accepted theory at the time was called the "Philips Curve" theory which stated that there was a tradeoff between inflation and unemployment, more of one meant less of the other. When both went up it was a challenge to the accepted orthodoxy, opening the door for the "supply-side economics" experiments.

in the factories and equipment) necessary for industrialization. Rather than encouraging savings among the entire population, inequality shifted income to the investor class:

"Europe was so organized socially and economically as to secure the maximum accumulation of capital. While there was some continuous improvement in the daily conditions of life of the mass of the population, Society was so framed as to throw a great deal of the increased income into the control of the class least likely to consume it. The new rich of the nineteenth century were not brought up to large expenditures, and preferred the power which investment gave them to the pleasures of immediate consumption. In fact, it was precisely the inequality of the distribution of wealth which made possible those vast accumulation of fixed wealth and the capital improvements which distinguished the age from all others. Herein lay, in fact, the main justification of the Capitalist System. If the rich had spent their new wealth on their own enjoyments, the world would long ago have found such a regime intolerable" (Keynes, 1920, p. 18-19).

Another way to explain the system Keynes describes is "exploitation" and the brutal repression used around the world to install and maintain this system was "intolerable" to many. By 1936 Keynes had a very different view of inequality, arguing that the high levels of inequality helped cause the Great Depression (Keynes 1964, p. 372): "The outstanding faults of the economic society in which we live are its failure to provide for full employment and its arbitrary and inequitable distribution of wealth and incomes." While this was necessary to promote the accumulation of capital in the 19th century, Keynes argues that high inequality in the early 20th century impeded rather than encouraged capital accumulation and thus "one of the chief social justifications of great inequality of wealth is … removed" (Ibid, p. 373). After the Financial Meltdown and Great Recession of 2008-2009 most major international agencies stated that one of the costs of high inequality was that it made the macroeconomy less stable, producing lower growth rates.

The reality of how incomes are determined is very different from the "market efficiency" explanation of neoclassical economic theory. Almost no high earners face competitive markets but instead have significant "market power" that allows them to influence or suspend the forces of supply and demand. Most of the rise in inequality has not gone to high earning workers, but instead to the top 1% or even 0.5%, who have used their market power, along with government assistance (either government paid for research, government contracts and most importantly government enforcement of intellectual property rights) to capture a large share of the wealth generated by the activities they control. Their incomes are well above what is necessary for individuals to acquire the necessary human capital to engage in their lines of business. The CEO to average worker-pay ratio is a good illustration. In 1978 CEOs made 29 times the average worker, rising to 58.5 times in 1989, and exploding to 411 times in 2000 at the peak of the tech boom. At no time during this period was there a shortage of people willing and able to undertake the job of CEO. Similarly, their high incomes were not a reflection of extreme individual abilities, as the management research at the time concluded that businesses with "star" CEOs did not do as well as those who had CEOs that did not seek all the attention and glory (see Collins, 2011).

Because of power, upper management has been able to transfer much of the wealth created by the companies from shareholders and workers to themselves. Most markets are not "perfectly competitive" as economic theory requires, thus incomes can be well above what is needed for supply to match demand. This is even more the case when you consider intergenerational inequality. Children of the rich go to better schools and colleges, have better healthcare, and have substantial family, college, business and political connections, so that their success is not so much due to their skill and education, but just a reflection of the advantages they were born with.

Inequality is one of the great global challenges, global in scope and depth. Inequality tears at the social bond, promotes economic instability, produces divisive politics and encourages the acrimonious ideologies needed to legitimate excessive inequalities (sexism, racism, classism and jingoism). According to Bergh, Nilsson and Waldenstrom (2016), there are five mechanisms by which inequality can influence social outcomes as follows:

1. The most direct way inequality will affect social outcomes is called the 'purchasing-power effect'. Inequality in income means inequality in spending power. Differences in spending power will lead to differences in social outcomes that are tied to spending power. If healthcare or education is influenced by how much money one can spend, there will be differences in health and education outcomes.
2. Inequality influences the political system, the shaping of government institutions, the making of laws and importantly, public spending. Research shows that political participation (voting, volunteering and donating money) is greatly influenced by inequality. Social spending can be a great equalizer in society. Universal healthcare and education to all citizens is an equality promoting public policy.
3. Inequality is associated with lower levels of trust. As trust is the bedrock of cooperation, and cooperation is essential to all social living, the importance of trust cannot be minimized. Trust comes from social interaction with people and grows when that social interaction is positive.
4. Inequality promotes social comparisons. Since all consumption is a form of social communication (Douglas and Isherwood, 1982) we should expect a highly unequal level of consumption to influence the conversation. Within the public health field, inequality, like racism and sexism, affects the stress levels of both those at the bottom (which is expected) and (surprisingly) those at the top.
5. Violence and crime have long been associated with poverty and inequality. High crime rates affect communities, businesses, schools and families. More

crime is also a drain on public resources, with increased spending required on policing and incarceration.

While economists typically view inequality (wealth or income) as the result of market forces, any international comparison shows that many non-economic factors play an important role. All the OECD countries in Table 4 are advanced capitalist economies, which compete in the global economy and are considered open economies because imports and exports play a significant role in their economies. All these economies are also dominated by multinational corporations, and they compete for capital on global markets. Only six countries have their own currency and the average GINI for these countries is 33.8, higher than the average for the countries in the Euro Zone (31.3). Yet there is a wide range of levels of inequality; with the USA and Luxembourg becoming significantly more unequal over the 30 years (USA was last in each period and its GINI went from 37.2 to 41.4 and Luxembourg went from a GINI of 29.5, about average for OECD in 1987 to 35.4 in 2018, second highest), while Ireland (35.5 in 1987 to 30.6 in 2018) and Greece (37 in 1995 to 32.9 in 2018) became less unequal. Most of the other countries basically maintained their level of inequality, evidence that global economic forces are not determining how much inequality a country has.

Table 4 Changes in Inequality for OECD Countries, 1980s to Present

Late 80s/Early 90s		Early 2010		2018	
Country and Year	**GINI**	**Country**	**GINI**	**Country**	**GINI**
FIN 87	22.2	NOR	25.7	BEL	27.2
SWE 87	23.1	DNK	27.2	FIN	27.3
NOR 91	25.2	FIN	27.7	NOR	27.6
BEL 88	25.7	SWE	27.7	NLD	28.1
DNK 87	26.2	NLD	27.8	DNK	28.2
NLD 87	26.8	BEL	28.4	SWE	30
DEU 91	29.5	DEU	30.2	IRL	30.6
LUX 87	29.5	AUT	30.3	AUT	30.8
OECD AVG	30.5	LUX	30.5	DEU	31.9
AUT 94	30.8	OECD AVG	31.8	OECD AVG	32.0
CAN 87	31.7	IRL	32.3	FRA	32.4
ESP 90	32	CHE	32.6	CAN	32.5
FRA 90	32.1	CAN	33.6	GRC	32.9
AUS 89	33.2	FRA	33.7	CHE	33.1
CHE 92	33.9	GBR	33.7	PRT	33.5
GBR 87	33.9	GRC	34.1	GBR	33.7
ITA 87	34.2	AUS	34.7	AUS	34.3
IRL 87	35.5	ITA	34.7	ESP	34.7
GRC 95	37	ESP	35.2	ITA	35.2
USA 87	37.2	PRT	35.8	LUX	35.4
PRT	na	USA	40	USA	41.4

Source: LIS

We see that in the late 1980s Ireland had one of the highest Gini Coefficients, closer to the United States of America than to the OECD average. Also noticeable is that all the English-speaking countries (USA, Ireland, Australia, Great Britain and Canada) are more unequal than the OECD average. We see that this is also the case in 2010, yet Ireland is no longer one of the most unequal countries, just marginally more unequal than the OECD average. By 2018 we find Ireland being less unequal, at least as measured by the Gini Coefficient, breaking with the other English-speaking countries.

Culture and Inequality

While economic forces play a major role in the level of inequality in a country, they always are shaped by political and social factors. The rise in inequality in many countries since the Reagan-Thatcher era is the result of policy changes, particularly the promotion of globalization to weaken the bargaining power of workers, and "Financialization", which dramatically increased

the share of finance in GDP and corporate profits. Both are the result of political changes which lead to regulator regimes that favored finance and multi-national corporations over workers and citizens. Countries that followed the Reagan-Thatcher model saw their inequality go up, countries that did not follow it did not see a significant increase in inequality.

We can also note from Table 4 that the Scandinavian countries (Denmark, Norway, Sweden and Finland) grouped in among the most equal counties (in 2010 they have the top four most equal distributions of income, in the late 1980s/early 1990s they are four out of the top 5 and in 2018 they are 4 out of the top six). This is evidence of the role culture plays in determining the level of inequality in a country. In Table 5 we present the Gini Coefficients for the English-speaking countries along with the average Ginis for the other types of welfare states to see the role of culture in determining a country's level of inequality. The four Welfare state models[19] are:

1. **Anglo-American**: Australia; Canada; Ireland; New Zealand; United Kingdom and USA.
2. **Continental**: Austria; Belgium; France; Germany; Luxembourg; Netherlands and Switzerland.
3. **Mediterranean**: Greece; Italy; Portugal and Spain
4. **Scandinavian**: Denmark; Finland; Norway and Sweden.

19 We are using Welfare State models instead of cultural clusters because the type of welfare state directly impacts inequality. The differences between Welfare States instead of Cultural Clusters are fairly small. The Anglo-American group is the same. The continental and Mediterranean groups are changed to Germanic (Austria, Germany and Switzerland) and Latin Europe (Belgium, France, Italy, Portugal and Spain). The Nordic group is the Scandinavian Welfare state group with the addition of the Netherlands.

Table 5 Inequality (GINI) by Type of Welfare State, 1995-2018

Country	1995	2004	2014	2018
Australia	32.6	33.1	34.4	34.3
Canada	31.5	33.8	33.2	32.5
United Kingdom	35.5	34.8	33.1	33.7
Ireland	37.0	33.6	31.9	30.6
United States of America	39.9	40.3	41.5	41.4
Anglo-American AVG	35.3	35.1	34.8	34.5
Continental*	29.8	30.4	30.6	31.3
Mediterranean**	36.6	35.0	35.6	34.1
Scandinavia***	24.4	27.6	27.6	28.3

**Austria, Belgium, France, Germany, Luxembourg, Netherlands and Switzerland.*
*** Greece, Italy, Portugal and Spain.*
**** Denmark, Finland, Norway and Sweden.*
Source: World Bank, Luxembourg Income Study

In Table 5 we see that Ireland seems to be breaking with the Anglo-American model. This is the result of Ireland joining the Euro Zone and having to adjust many of its regulations and policies to fit the EU, and the Euro Zone. The Anglo-American countries share the English Common Law legal system, which gives much more importance to individual property rights than is found in the Civil Law tradition which was common in continental Europe. The English brought the Common Law tradition to its colonies, as well as set up exploitative property systems and regulations to facilitate the transfer of wealth from the colonies to the British Empire. When these countries gained independence, the social order did not change greatly (such as property ownership), so that the elites of the newly independent countries captured the wealth that had gone to England.

The various welfare-state models overlap with many of the cultural clusters used to show similarities between countries. This is not surprising since the form of welfare-state would reflect the culture of a country. Using Hofstede's Cultural Values (explained in Table 6) to compare the different welfare-state models we see in Figure 6 there are significant differences between the groups. A statistical analysis of the relationship between Hofstede's Dimensions of Culture and inequality showed that Masculinity vs Femininity had the highest correlation with inequality (higher masculinity scores correlate with higher inequality). Note the low masculinity score of the Scandinavian counties.

Table 6 Hofstede's Cultural Values

Dimensions of Culture	Explanation
Power Distance	Degree to which people accept that power will be unequally distributed.
Individualism vs. Collectivism	Relative importance of individual versus the group.
Masculinity vs Femininity	Masculinity represents achievement, assertiveness while Femininity stands for cooperation, caring for weak, quality of life.
Uncertainty Avoidance	Extent to which people feel uncomfortable with uncertainty and ambiguity
Long Term Orientation	Importance of maintaining tradition vs changing to adapt to future.
Indulgence vs restraint	Extent to which people try to control their desires.

Source: Holtbrügge (2022) Intercultural Management.

While Figure 6 (below) shows the differences between the four Welfare state models, Figure 7 looks at the differences within the Anglo-American model of which Ireland has traditionally been a part. In each category (except Long-term orientation), Ireland is either the highest or the lowest of the group, which suggests that they do not fit into this group as much as they did in the past. We return to Inequality in the Sustainable Progress Index part of this report.

Figure 6 Average Hofstede's Cultural Values by Welfare-State Type

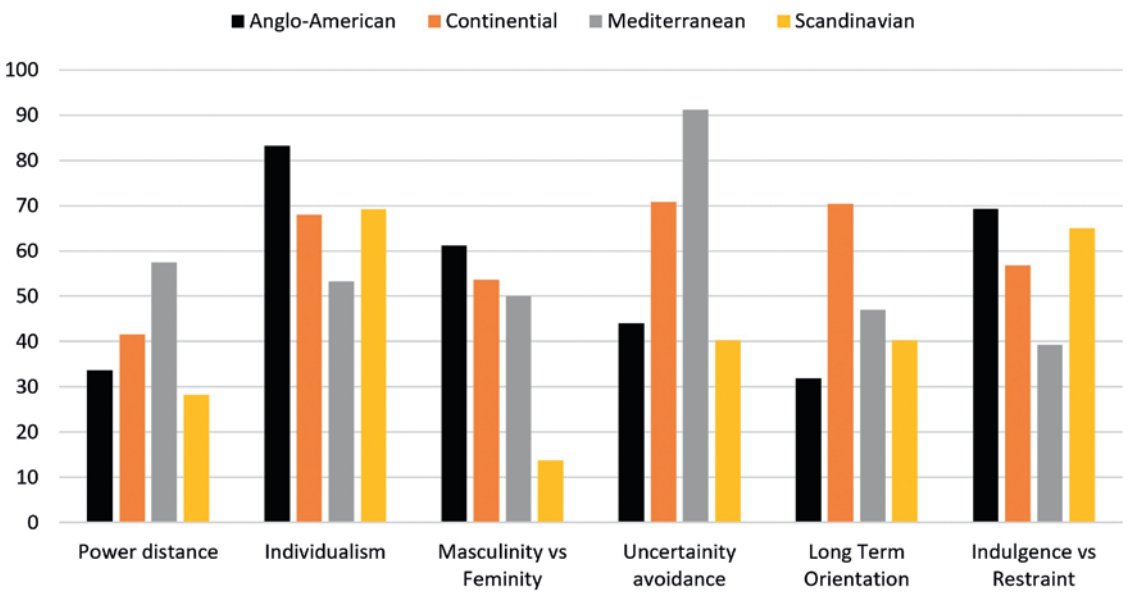
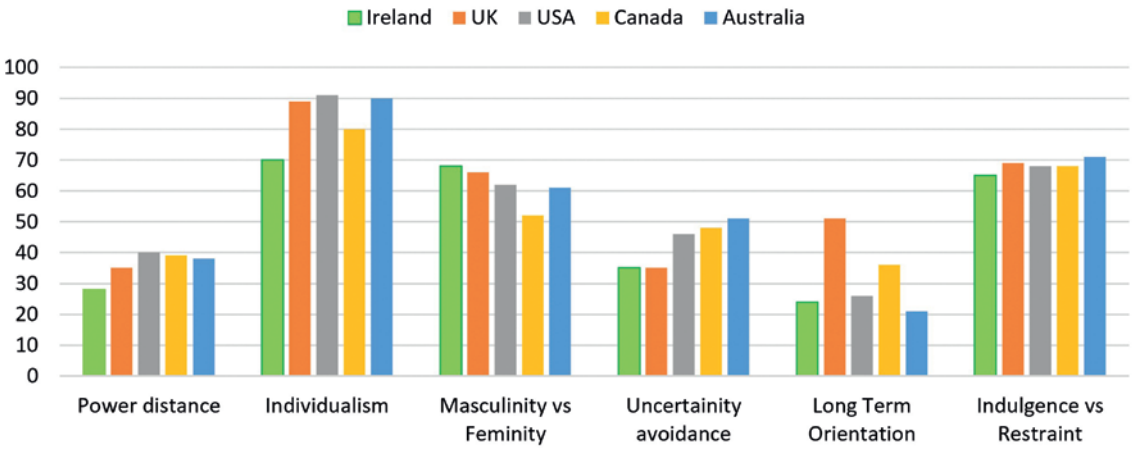


Figure 7 Hofstede's Cultural Values for Anglo-American Countries



4

Beyond GDP and Alternative Views of Progress

Starting in 1996 with "Progress, Values and Economic Indicators" (Clark and Kavanagh, 1996) and regularly since 2015, we have been reporting on the growing body of scholarship on the limitations of GDP as a measure of progress and well-being. Our point is not to eliminate GDP as an indicator that informs government policy, but to argue that often it is used as the statistic that rules over all statistics (apologies to Tolkien) with the effect that progress and well-being ended up being ignored. The use of GDP is an indicator of social progress or well-being flows from it being a measure of market transactions, which fits neoclassical economic theory of utility maximation as driving human behavior and because the volume of market transactions is very important to a country's business leaders. While GDP was developed during wartime to help plan military production, in the post-World War Two era it has been central in the development and implementation of macroeconomic policies to promote economic growth and to check the inevitable recessions and crashes which are a regular feature of capitalism. GDP growth provided jobs for the masses and profits for the owners, a real harmony of interests.

As we saw previously in this report, eventually economic output levels become sufficient to meet the population's basic needs so that further improvements in well-being need to come elsewhere. We argue that all evidence supports the contention that the advanced capitalist counties (which includes our EU 14 countries) are living in the Age of Keynes' Grandchildren (see above) where the pressure to increase economic output at the expense of social and environmental concerns is no longer justified.

The limitations of GDP as a measure of progress have long been noted by many economists. In fact, the early developers of national income statistics warned against using them as a measure of well-being. In a 1934 report from the Acting Secretary of Commerce to Congress (73rd Congress, 2nd session, Doc. 124, p. 6-7) our current concerns were clearly foreseen: "Economic welfare cannot be adequately measured unless the personal distribution of income is known. And no income measurement undertakes to estimate the reverse side of income, that is, the intensity and unpleasantness of effort going into the earning of income. The welfare of a nation can, therefore, scarcely be inferred from a measurement of national income as defined above" (p. 6-7). Current national income statistics are based on the United Nations Systems of National Accounts (SNA) which were initially developed in the 1950s (SNA 1953) and have been periodically updated. By SNA 1992 the limitations of GDP as a measure of well-being became noted in the official manual and the analysis of these limitations was expanded in the SNA 2008 (Chapter 1, Sec. H), which stated:

1. GDP measures spending and not all spending adds to welfare
2. Much economic activity takes place out of market relations, and thus is not included in GDP (household production);
3. Many non-economic events (like natural disasters) have a negative impact on welfare but often can have a positive effect on GDP;
4. Many consumption or production expenditures have a positive effect on the welfare of the individuals undertaking them, but a negative effect on non-market participants (economists call these externalities)
5. An individual's wellbeing is greatly affected by many non-economic factors, such as their health, family relations, friendships, factors that GDP does not measure.

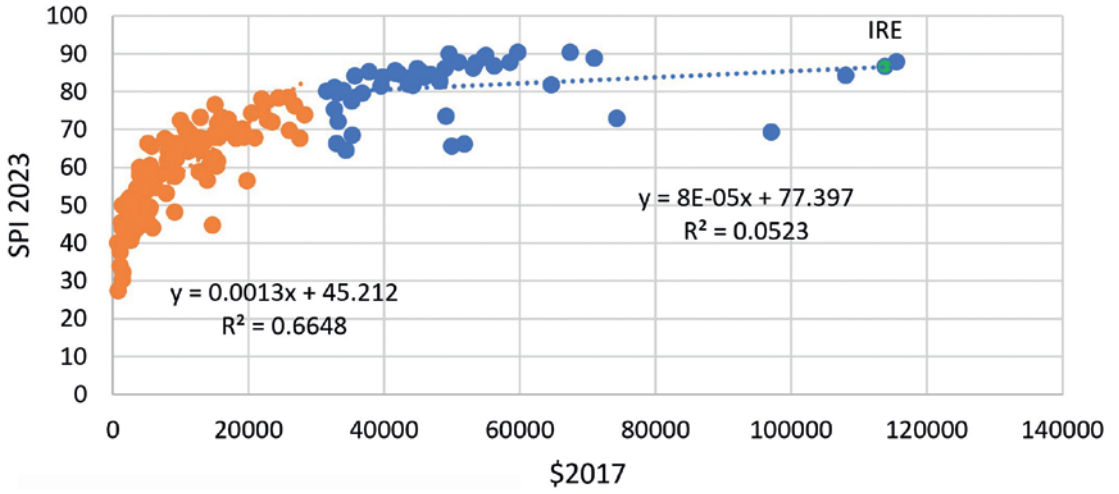
The United Nations Statistical Commission has been working on an update of SNA 2008 which is scheduled to be released as SNA 2025. The Statistical Commission will be meeting in early March of 2025 to discuss and possibly vote on acceptance of the new SNA 2025. The revisions relate directly to this topic, as they are very much informed by the limitations of GDP as a measure of well-being and by the dual challenges of inequality and sustainability that frame much of the United Nations efforts. The endorsed report notes that "While not designed for this purpose, the headline economic growth indicator produced from the national accounts, GDP, is often used to represent societal progress or the economic well-being of the population…. Existing national accounts indicators of people's economic well-being, such as real HDI and household net worth, are, however, insufficient to address many of the important questions on well-being and sustainability on countries' policy agendas in the 21st century. Such policy priorities include understanding: a) the distribution of income and wealth across household groups or inequalities; b) activities that take place outside the boundaries of the

economy, such as unpaid household work; c) evidence relating to the key policy topics of work (labour), education, human capital, and health care; and d) how human beings' impact on the environment may affect their future economic well-being. These priorities have informed the research agenda on enhancing and broadening the framework to better capture well-being and sustainability in the 2025 SNA".

Even with their broader perspective, the UN efforts state that "well-being", in the context of the SNA update, "is taken to mean the current economic well-being of households. Although a broader definition would include subjective factors, they are beyond the scope of the national accounts framework. 'Sustainability' is taken to mean the maintenance and generation of resources to support economic well-being in the future, such as financial wealth, buildings, machinery and equipment, as well as environmental, human and social capital." While the UN system is working on updating national income accounting, they are also working on expanding social and environmental statistics. Many groups are pushing for social statistics on the scale of national income accounts, but in scope and in timeliness. The big challenge in these efforts is always capacity. Yet if you look at the major strides that have been made with the adoption of the SDG framework in terms of quality and quantity of data, there is real reason to be optimistic.

As we have seen in past reports, Figure 8 shows the link between GDP per capita and social well-being (using the Social Progress Index as a measure of well-being) is strong for developing countries (below $30,000 GDP per capita) yet is very weak for rich countries (correlation coefficient of 0.05, compared with 0.66 for developing countries). This suggests that if rich countries want to improve the well-being of their citizens they need to put their efforts into something other than promoting increases in GDP.

Figure 8 Social Progress Index and GDP, 2023



4.1 Problems with GDP Specific to Ireland

There are clear and well understood problems with GDP as a measure of well-being and social progress, yet it is still an important economic statistic and is essential for government planning and policy formation. The fact that Ireland's official measure of GDP deviates so much from the economic reality of Ireland is a separate problem, distinct from the limitations noted above. In Table 7 below we have updated a table we have presented in the past (with the updated data from the Maddison Project) which looks at the list of the Top Ten richest countries from 1820 to 2023. We see that in 1820 the list is dominated by countries engaged in international trade and who are actively industrializing (this in the early stages of the Industrial Revolution). In the 1970s we see the rise of oil rich states dominating the top of the list. Low oil prices in the 1990s removed them from the top ten. In 2023 the top ten consists of six oil producing countries (Qatar, Norway, United Arab Emirates, Kuwait, USA, and Saudi Arabia) and four countries that made the list because they are tax havens (Singapore, Switzerland, Ireland and Luxembourg) thus their GDP estimates are inflated.

Table 7 Top Ten Richest Countries and Ireland, by GDP per capita, 1820 to 2023

Country	1820	Country	1973	Country	1994	Country	2023
Great Britian	3,306	Qatar	68,407	Luxembourg	40,991	Qatar	149,171
Netherlands	3,006	Kuwait	42,542	USA	38,807	Norway	88,366
USA	2,674	United Arab Emirates	39,669	Norway	37,493	Singapore	80,320
Italy	2,523	USA	26,602	Switzerland	35,424	United Arab Emirates	77,204
Belgium	2,358	Switzerland	26,004	Denmark	32,359	Kuwait	71,534
Germany	2,041	Luxembourg	23,820	Hong Kong	32,219	Switzerland	63,323
Denmark	2,031	Denmark	22,228	Japan	31,135	Ireland	60,257
Uruguay	1,983	Canada	22,058	Canada	30,746	USA	58,487
Austria	1,941	Sweden	21,509	Australia	29,844	Luxembourg	55,485
France	1,809	Netherlands	20,851	Netherlands	29,728	Saudi Arabia	53,517
Ireland (16)	1,398	Ireland (39)	10,946	Ireland (25)	22,005		

Source: Maddison Project, 2023, all values in 2011 US Dollars. Countries in Italics are Tax Havens based on Hines 2010.

Ireland's role as a Tax Haven greatly inflates its estimates of GDP because accounting entries designed to avoid taxation in other countries are counted as market transactions in Ireland, thus included in Ireland's GDP. These additions to GDP do not lead to either produced goods or services nor are they incomes going to people in Ireland. The only advantage to Ireland is that the Government collects tax revenue which should be paid in other jurisdictions. Companies only engage in such practices because the amount they pay to the Irish Government is a small fraction of what they would pay in the countries here they are actively avoiding paying

taxes. This practice gives evidence to policy makers that the economy is growing faster than it actually is. Furthermore, there are many useful economic statistics that are internationally collected that are based on GDP yet the data for Ireland has become meaningless. Indicators such as the share of labour income as a % of GDP (which informs the division of factor incomes) which was consistently above 50% in Ireland before 2011 fell to 30.6% in 2021 (54% of the average for the EU 14), or Social Expenditure as a % of GDP (which tells how much a country devotes to social protections) which has declined from 24% in 2009 to 13.4% in 2019 (about half the OECD average). This make the exercise of benchmarking Ireland against similar countries a challenge. The problem of measuring Ireland's economy is not new. It is made worse by the government using it as a competitive advantage. In 2015 Apple relocated their patent division to Ireland and Ireland's GDP increased by over 20% (no advanced capitalist economy could possibly grow that fast). The Central Statistics Office provides a Modified GNI estimate in an recognition of this problem, but the rest of national income reporting is not adjusted, so it has become a curiosity (or a punch line for economist Paul Krugman who referred to this high growth rate as "leprechaun economics").

Table 8 EU 14 GDP per capita and Household Consumption, 2023

Country	GDP	Country	Individual Consumption
Luxembourg	239	Luxembourg	138
Ireland	211	Netherlands	117
Netherlands	130	Austria	117
Denmark	127	Germany	116
Austria	123	Belgium	114
EU 14 AVG	123	Denmark	110
Belgium	118	Finland	109
Germany	115	Sweden	109
Sweden	114	France	107
Finland	108	EU 14 AVG	106
France	101	Italy	101
Italy	97	Ireland	94
Spain	88	Spain	88
Portugal	83	Portugal	88
Greece	67	Greece	79
Ireland as % of AVG	171.6%	Ireland as % of AVG	88.5%

Source: Eurostat

Figure 9 Euro 14 GDP and Actual Individual Consumption, 2023

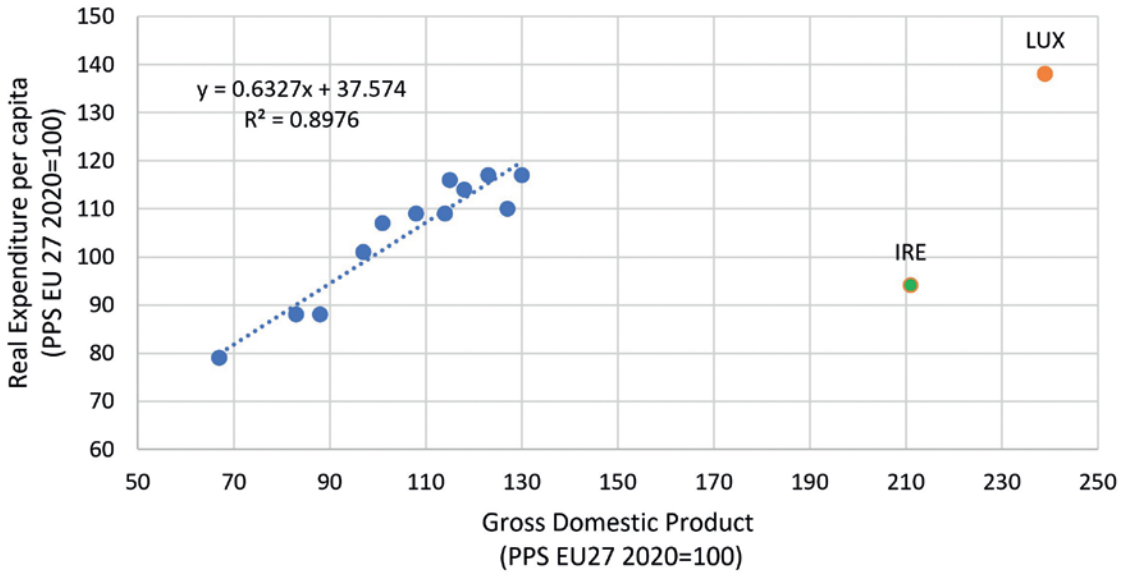


Table 8 and Figure 9 show Ireland and Luxembourg as outliers, both in the size of their GDP in relation to the other EU 14 countries, and in the connection between GDP per capita and Individual Consumption (which is financed by household income). The tight fit of the trend line in the scatter diagram in Figure 9 shows that national income match's consumption, yet Ireland and Luxembourg are way to the right of the other EU 14 countries.

4.2 Alternative Measures of Progress

In previous reports we have sought to present other measures of progress to give people an idea of what is available, and hopefully find data that is useful for their policy analysis. In Table 9 we present the leading alternative measures of progress. We include these because they are regularly updated and are widely available.

Table 9 Alternative Measures of Progress for EU 14 Countries, 2023-24

Economic Output		Social Progress		Happiness		Sustainability	
Country	GDP 2023 (€2010)	Country	SPI 2024	Country	Ladder score 2024	Country	SDG Index 2024
LUX	83,320	DNK	90.38	FIN	7.7	FIN	86.4
IRL	71,700	FIN	89.96	DNK	7.6	SWE	85.7
DNK	52,510	SWE	89.09	SWE	7.3	DNK	85.0
SWE	44,610	LUX	87.86	NLD	7.3	DEU	83.4
NLD	44,460	NLD	87.73	LUX	7.1	FRA	82.8
EU 14 AVG	40,844	DEU	87.64	AUT	6.9	AUT	82.5
AUT	37,860	AUT	86.73	BEL	6.9	EU 14 AVG	81.4
BEL	37,340	IRL	86.57	IRL	6.8	ESP	80.7
FIN	36,760	EU 14 AVG	86.26	EU 14 AVG	6.8	PRT	80.2
DUE	36,290	BEL	86.13	DEU	6.7	BEL	80.0
FRA	33,750	PRT	84.10	FRA	6.6	ITA	79.3
ITA	28,880	FRA	83.88	ESP	6.4	NLD	79.2
ESP	25,620	ESP	83.87	ITA	6.3	GRC	78.7
GRC	19,460	ITA	83.61	PRT	6.0	IRL	78.7
PRT	19,250	GRC	80.09	GRC	5.9	LUX	76.8
IRL as % of AVG	175.5%	IRL as % of AVG	100.4%	IRL as % of AVG	100%	IRL as % of AVG	96.7%

Source: OECD, Sustainable Progress Index 2024, World Happiness Report 2024, SDG Report 2024

We see that while Luxembourg and Ireland are ranked 1 and 2 for GDP per capita, they do not lead the other measures of well-being.

5

The Sustainable Progress Index 2025

The focus on sustainable development has gained momentum over the recent past and includes the introduction of the Sustainable Development Goals (SDGs) by the United Nations (UN). In 2015, as part of the UN's 2030 Agenda for Sustainable Development, 17 SDGs were identified, based on 169 targets and over 230 indicators. In January 2016, the SDGs were implemented.

Sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet (UN, 2022). The SDGs are designed to identify policies that directly help people's wellbeing in harmony with our natural environment. They aim to provide both a pathway out of poverty, and a map towards a sustainable future for all countries and people. Many institutions, including the World Bank, WHO, IMF, OECD and Eurostat, have committed to data collection efforts to support the monitoring of the SDGs. And the UN, Eurostat and the SDSN have produced regular reports that track progress of countries towards achievement of the 2030 Agenda vision.

Figure 10 The 17 Sustainable Development Goals

Source: United Nations (UN)

There is general agreement that events over the recent past have threatened progress of the SDGs. Antonio Guterres, UN Secretary General stated recently:

> "The time for words has passed. The political declaration of the SDG Summit must be translated into actions. It is still possible to create a better, more sustainable and more inclusive world for all by 2030. But the clock is running out. We must act now, and act boldly" (UN, 2024, p.3).

Li Junhua, Under-Secretary-General for Economic and Social Affairs concurs:

> "The world must now confront head on the multiple crises threatening sustainable development, marshalling the determination, ingenuity and resources that such high stakes demand" (UN, 2024, p.3).

Further, the EU states that it is fully committed to delivering on the 2030 Agenda and its implementation through its internal and external policies. In a recent report, Paolo Gentiloni, European Commissioner for the Economy and for Eurostat, claims:

> "We have mainstreamed the SDGs into a panoply of EU policies, strategies and deliverables. We have integrated them into the European Semester, our cycle of economic governance, a reflection of the significance we attach to

the debate underway on how to measure wealth and well-being 'beyond GDP'" (Eurostat, 2024, p.4)

Over the years, there have been many reports that attempt to track countries' progress on achievement of the SDGs since the adoption of the goals[20]. The most recent Eurostat (2024) monitoring report is based on a set of a 100 indicators[21], including 37 multipurpose indicators, and covers a five year time span. Figure 11 provides a snapshot of Eurostat's assessment of the EU's achievement of the goals over the past five years. The analysis suggests that over a five-year period, the EU has made progress towards almost all goals. However, important challenges remain and progress towards the SDGs in the EU is uneven. The EU continued to make the strongest progress towards SDG10 (reducing inequalities), SDG 8 (decent work and economic growth) and SDG1 (reduced poverty). Good progress is also seen in SDG2, SDG9, SDG12 and SDG14. However, progress towards the remaining goals, including some environmental SDGs, was much slower.

20 See Sachs et al, (2016, 2024 and earlier reports); Eurostat, (2024, 2023, 2022 and earlier reports; UN (2024 and earlier reports), OECD, (2017).

21 The EU SDG dataset is structured along the lines of the SDGs. However, some indicators are not official UN indicators, but are more specific to EU policies and strategies. Further, the report does not produce an index. Rather, it examines the SDGs at indicator level and by key themes to arrive at an overall assessment of progress.

Figure 11 Eurostat's Assessment of EU Progress on the SDGs

Source: Eurostat (2024, p.11)

Work by Jeffrey Sachs and his colleagues in the Sustainable Development Solutions Network (SDSN) has also provided important insights over the years into countries' progress towards the achievement of the SDGs. The 2024 report provides a detailed country profile on

all 193 UN member countries. Their computation of an SDG index ranks each country on the basis of how far away it is from achieving each SDG.

Figure 12 illustrates their assessment of Ireland's progress towards the SDGs. The overall score ranks Ireland 28th out of 167 countries (for which comparable data is available). The dashboard colour codes identify the progress being made under each SDG. A green indicator rating implies achievement but all indicators under the goal need to be also green for the SDG to get a green colour. Yellow, orange and red indicate increasing distance from the SDG achievement (Sachs et al, 2024). The authors conclude that Ireland faces major challenges in 4 SDGs (red code), significant challenges in 6 SDGs (orange code), with other SDGs performing somewhat better.

Figure 12 Ireland's Current SDG Dashboard

Source: Sachs et al (2024, p. 244)

5.1 The Data

The computation of an SDG index requires an extensive dataset. Our starting point (as in previous reports), is the official UN Global Indicator Set which was adopted in 2017. We also utilize the EU SDG Indicator Set (2022), developed to monitor progress towards the SDGs and which includes indicators most relevant to the EU[22]. Our final dataset therefore is aligned as closely as possible to the official global indicators while also taking account of the experiences of countries in the EU context.

22 This data set is open to annual reviews to incorporate indicators from new data sources and to take into account new EU policy priorities. It is argued that this choice of indicators better reflects EU policy and initiatives, while still reflecting the principles of the official UN indicators incorporated in the SDGs.

A number of additional rules are used to guide our approach to data collection.

- ***Relevance and applicability:*** the data must be directly related (e.g. an exact match), similar, or relevant to monitoring of the SDG. For example, some official indicators (e.g., extreme poverty measures, prevalence of stunting and wasting, prevalence of undernourishment, etc.) are less relevant to high income countries in the EU. We exclude these indicators. Other indicators, (drawing mainly from the EU dataset) although not official UN indicators, are included to capture the theme of a particular SDG.
- ***Quality:*** Accurate, timely and disaggregated data are vital for measuring progress towards the 17 SDGs and associated targets. The use of up to date and reliable data remains the backbone of this report. As well as drawing on the EU and UN datasets, we also include data from official sources (OECD, World Bank, WHO, ILO, others) and non-official data sources (research centers and non-governmental organizations such as Gallup and Transparency International). Our goal is to ensure the most reliable data is used to capture each SDG.
- ***Coverage:*** we only include indicators where data is available for all 14 countries. Indicators that have missing data for countries are not used in our index.
- ***Most recent available:*** all data must refer to the most recent year available, as far as possible. For most data (especially EU data), this is 2023. Earlier data must be used for some indicators due to time lags in data generation. However, we exclude data that is judged to be outdated (for example, some official indicators have not been updated in several years and hence their use in the assessment of SDG achievement is questionable).

Based on the above criteria, our index utilises 86 indicators across the 17 goals to arrive at our final index scores.

The following points are worth noting.

- The number of indicators evolves as new information becomes available. Additionally, some SDG indicators are revised based on new methodologies for producing better quality indicators in an attempt to better reflect the SDGs. As a result, our SDG scores and rankings are not comparable to results from previous reports.
- Our dataset is structured along the 17 SDGs and covers the social, economic, environmental aspects of sustainability as represented by the Agenda 2030.

Where possible, each SDG is covered by a minimum of 5 indicators. There are some exceptions (data limitations and coverage imply we use just 3 for SDG13, SDG14 and SDG17)[23].

5.2 Method

As in previous reports, the focus of our analysis is the EU14 countries. Comparing relative performance among countries from a similar regional or income group is valuable. Sachs et al (2016) have emphasised the substantial variations observed in small groups of similar regions should encourage policymakers to better understand reasons for divergence and design strategies for achieving the SDGs by 2030.

Since the aim is to compare performance across all goals, the first step in constructing the index is to make the data comparable; this is critical, given the heterogeneous nature of the data and the myriad of sources used in data collection. As in previous reports, we draw on the methodology used by Sachs et al (2016). The approach allows us to benchmark Ireland against the other EU countries, at individual indicator level, SDG level and aggregate index level.

Briefly, the method can be summarized as follows. A percentile rank is first assigned to each indicator. A percentile rank of 100 is assigned to the country with the best performance, 0 to the country with the worst performance. All indicators are expressed in ascending order, so that a higher score on the indicator corresponds to a higher overall SDG score. This allows for clarity and ease of interpretation.

The second step involves aggregating the percentile rank of each indicator to compute the SDG score for each country. This implies that every country has an SDG score for each of the 17 goals. Finally, to arrive at the composite Sustainable Progress Index, we aggregate across all goals to arrive at a score for each country. Equal weight is assigned to each SDG (and each indicator under each goal). This is in accordance with the view of the UN (2015, paragraph 5) that all SDGs are equally important and should be treated equally[24]. The individual SDG scores allow us to rank the countries at goal level while the aggregate measure[25] provides a snapshot of how Ireland is faring overall on the SDGs relative to the EU14.

---

23 Clearly, this is far from ideal, but it is driven by data availability at country level. The complete list of indicators used in the construction of the SDG measures is provided in Table A1 in the Appendix.

24 "These are universal goals and targets which involve the entire world, developed and developing countries alike. They are integrated and indivisible and balance the three dimensions of sustainable development" UN's (2015, paragraph 5). It is worth pointing out that there is no agreement about assigning higher weights to some SDGs over others. Our approach has the benefit of allowing for the addition of new indicators for a particular SDG without affecting the relative weight of each SDG in the composite measure.

25 Both the arithmetic mean and the geomean averages were explored as approaches to aggregating the data. The two indexes show a high degree of correlation (Pearson's correlation coefficient of 0.98). For ease of interpretation, we settle on the arithmetic mean.

Ambitious targets are set in Agenda 2030 for people planet and prosperity across the three dimensions of sustainable development: economic development, social inclusion and environmental sustainability. All the goals are interdependent and interconnected, but we think there is value in attempting to understand how countries are doing on each of the three aspects of progress. Our analysis involves first, clustering the goals by these three dimensions: economic, social and environment and examine country rankings. We then aggregate across all SDGs to present the results for the aggregate Sustainable Progress Index[26]. While a summary measure is useful, we encourage interested readers to go beyond the aggregate SDG Index and look at comparative performances at the goal and indicator level.

5.3 The Economy Index

First, we examine the economy aspect of the SDGs by combining SDG8 and SDG9. Country ranking and scores of the Economy Index[27] are presented in Table 10. Despite significant improvement in many aspects of the economy, (for example, the strong performances of GDP, GDP per capita and GDP growth rates have been well documented), our broader measure of the economy shows that there is significant room for improvement. Ireland is ranked joint 7th relative to its EU peers on the Economy Index. We explore elements of each SDG further below.

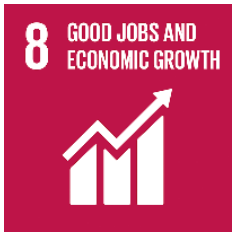
26 Statistical tests were used as part of the analysis. We assessed both collinearity between the goals and between the indicators under each goal. Based on the Pearson's pairwise correlation exercise for the goals, there is no sign of collinearity (defined as > 0.9). We found little evidence of collinearity at indicator level and retain the choice of indicators as they are directly related or relevant to the official UN list.

27 The score compares *average performance* across SDGs 8 and 9.

Table 10 The Economy SDG Index – Ranking by Country

Country	Index Score	Country Rank
Sweden	0.8527	1
Denmark	0.7693	2
Netherlands	0.7627	3
Finland	0.6603	4
Germany	0.5704	5
Luxembourg	0.5320	6
Belgium	0.4999	7.5
Ireland	0.4999	7.5
Austria	0.4870	9
France	0.3266	10
Portugal	0.2689	11
Spain	0.2625	12
Italy	0.2368	13
Greece	0.2048	14

Source: Authors' analysis



SDG 8 'Decent work and economic growth'

SDG8 appeals for providing opportunities for full and productive employment and decent work for all while reducing child labour, and human trafficking by promoting labour rights and secure working conditions. The goal recognises that growth is essential for employment (particularly well-paid quality jobs), living standards, and prosperity.

6 indicators are used to compute SDG8. Ireland continues to score highly on GDP per capita (second only to Luxembourg) and we have witnessed steady improvement in economic growth in Ireland. In order to capture the other components of SDG8, (including the theme of 'decent work'), additional indicators included are: the employment rate, the NEET rate (youths not in employment, education or training), accidents at work, a measure of low pay. The unemployment rate and employment rate fare relatively well, at least compared to the countries in our sample (in the top 5 for both). The NEET rate has also improved and is now at 8.5% in 2023, having fallen from 14.2% since 2022.

Combining all other indicators gives an overall rank for Ireland of 4 on SDG8. The Netherlands, Sweden and Denmark top the ranking.

SDG 8: Rank =4

SDG9 'Industry, innovation and infrastructure'

SDG9 calls for building resilient and sustainable infrastructure and promotes inclusive and sustainable industrialization, with the aim of improving living standards. It also recognises the importance of research and innovation for finding lasting solutions to social, economic and environmental challenges.

We draw on 6 indicators to compute SDG9. Expenditure on R&D (as a percentage of GDP) in Ireland is the second lowest of the EU14 at 1.07% in 2023. Sweden, Finland, Austria, Germany and Belgium are the exceptions: they score highest on this indicator and all have expenditure greater than 3% of GDP.

Several other indicators used to reflect this SDG are internet use, and the number of researchers as a percentage of population. These show Ireland performing somewhat better, but there is still significant room for improvement. Ireland's share of R&D researchers, as a percentage of population has increased over the years but is below the best performing countries. An indicator that attempts to measure the quality of trade and transport-related infrastructure from the World Bank – the Logistics Performance Index, scores Ireland in last place for logistics capacity. Ireland' score on SDG9 puts it in 10th place overall.

SDG 9: Rank = 10

5.4 The Society Index

We compute the Society Index by combining 8 SDGs[28]. The overall score and country ranking are presented in Table 11. Ireland is in 6th place overall. Our relatively favourable position is driven by strong performance particularly on the education theme, (SDG4), and good performance on peace and justice goals (SDG16) and good health and wellbeing (SDG3).

28 The 8 SDGs that are included in the society index are: 1, 2, 3, 4, 5, 10, 16 and 17.

Table 11 The Society SDG Index – Ranking by Country

Country	Index Score	Country Rank
Sweden	0.6868	1
Finland	0.6323	2
Denmark	0.5971	3
Netherlands	0.5625	4
Belgium	0.5451	5
Ireland	0.5372	6
Austria	0.5162	7
Luxembourg	0.4701	8
Portugal	0.4651	9
France	0.4622	10
Italy	0.4242	11
Spain	0.4084	12
Germany	0.4084	13
Greece	0.2903	14

Source: Authors' analysis

SDG 1 'No poverty'

SDG 1 calls for an end to poverty in all its manifestations. It aims to ensure people's basic needs are met, by focusing on equal rights and access to economic and natural resources, including technology, property and basic and financial services.

In the EU context, monitoring SDG1 involves tracking aspects related to multidimensional poverty and basic needs. In recent years, the EU's situation has improved for most indicators under this goal (Eurostat, 2024, p.12)

As the focus of our analysis is the EU14 countries (with broadly similar levels of development), we exclude some of the less relevant UN indicator variables that capture extreme poverty (such as the poverty headcount ratio at $1.90/day, percentage of the population). We use 4 indicators to reflect SDG1: 3 from Eurostat (severely materially deprived people (percentage of the population), low-work intensity households, and the housing overburden rate (40% of income)[29]; and 1 from the OECD (the

29 OECD proposes that households that spend more than 40 per cent of disposable income on housing are considered "overburdened" (OECD, 2019). Compared to other countries, Ireland does relatively well on this indicator, although the data does not reflect the current crisis.

poverty rate - the share of the population whose incomes fall below half the median disposable income for the entire population after taxes and social transfers – this is closely aligned with the UN indicator).

Ireland is half-way in the ranking when we combine all other indicators. Finland, Luxembourg and the Netherlands top the list.

SDG 1: Rank = 7

SDG 2 'No hunger'

Food security and the eradication of hunger are the main concerns of SDG 2. Many of the official indicators under this goal are more applicable to developing countries. In terms of sufficiency and supply, there are no major issues about food security within the EU region. Hence, the monitoring of SDG2 focuses on malnutrition (in particular, achieving healthy diets) as well as on the sustainability of agricultural production and its environmental impacts.

Consumption patterns and lifestyles have changed in the EU, including in Ireland, and obesity is on the rise with implications for people's quality of life and resourcing the health care system. Obesity in Ireland is the highest among the sample of countries here, according to the most recent Eurostat data. Almost 20% of the population are categorized as obese.

SDG2 is also concerned with ensuring long-term productivity and the sustainability of agriculture. We use 5 indicators to capture this aspect of SDG 2: cereal yield efficiency, ammonia emission from agricultural land, a measure of sustainable nitrogen, the extent of organic farming, and a pesticide indicator.

Ireland performs well compared to other countries on the cereal yield indicator, and is in the middle ranking for ammonia emissions and pesticide indicator. Ireland's organic farming share of the total utilised agricultural area (UAA) is well below the EU average at 2.2%; it scores lowest of the EU14 on this indicator. Combining the 6 selected indicators for this goal gives a ranking of 12 for Ireland.

SDG 2: Rank = 12

SDG 3 'Good health and wellbeing'

Improving healthy lives and promoting wellbeing at all stages of life is the focus of SDG3. It also focuses on behavioural or environmental health risks. As well as being important to the individual in terms of improving their quality of lives, good health is also valuable for social and economic growth.

This SDG includes indicators like life expectancy (healthy life years at birth), maternal and neo-natal mortality rates, subjective wellbeing measure, etc. It also covers indicators such as death due to chronic diseases, and incidence smoking.

According to Eurostat, the impact of the COVID-19 pandemic is now fully visible in SDG3 (Eurostat, 2024, p.15). This is likely to be true in Ireland also. The range of data available to fully reflect this SDG is more comprehensive at EU level. We use 9 indicators to reflect the aims of the goal. As well as the above, we include suicide rate, adult fertility, smoking consumption, wellbeing, and unmet medical needs. Ireland scores well on this SDG. The combined indicators score puts it in joint 3rd place.

SDG 3: Rank = 3

SDG 4 'Quality education'

SDG4 advocates inclusive and equitable quality education and promotes lifelong learning opportunities for all. Education is seen as key in meeting other SDGs; it aims at reducing poverty, inequality, gender inequality and contributes to growth, employment, productivity, innovation, competitiveness and healthier lifestyles

We utilise 6 indicators in our computation of SDG4, reflecting education at all levels of life. Ireland scores highest on two indicators: the share of the population aged 30 to 34 that have completed tertiary or equivalent education (a measure of 3rd level outcomes); the PISA[30] score (a measure of 2nd level outcomes). Ireland also does well on the early-leavers indicator, an indicator capturing childhood education, and an indicator reflecting basic digital skills in the population, The data suggests we do less well on the indicator that reflects life-long learning (adult participation in learning as a percentage of the population)

30 The Programme for International Student Assessment (*PISA*) is an international assessment of the skills and knowledge of 15-year-olds. *PISA* assesses students› performance on reading, maths and science.

Overall however, the combined indicators show a very strong performance for Ireland on this SDG, with a score putting it in first place.

SDG 4: Rank = 1

SDG 5 'Gender equality'

SDG 5 aims at achieving gender equality by ending all forms of discrimination, violence, and any harmful practices against women. It recognises the need for equal rights and opportunities for female leadership at all political and economic decision-making levels.

Our SDG5 is computed using 6 indicators. Based on the selected indicators, we see a somewhat mixed performance for Ireland. Indicators for both the share of women in national parliament and in senior management roles have improved, but are still below the EU average with scores that place Ireland in 13th and 9th place, respectively.

On a more positive note, the gender pay gap has narrowed slightly over the years in the EU. Eurostat (2024, p.13) note that "the situation on the labour market has improved, as women's hourly earnings are catching up with those of men, and the gap between men and women who are outside the labour force due to caring responsibilities has narrowed since 2018". In Ireland, the situation has improved also, and the latest data puts the gap at 9.3%, below the EU average. Also, the gender gap is reversed in the area of education, meaning that women are ahead of men and Ireland is ranked first on this indicator (female education as a percentage of male education).

Overall, Ireland is ranked in 10th place on this SDG indicating there is scope for improvement. Sweden, Denmark and Finland are the highest ranked countries.

SDG 5: Rank = 10

SDG 16 'Peace, justice and strong institutions'

SDG16 calls for peaceful and inclusive societies based on human rights, protection of the most vulnerable, the rule of law and good governance.

8 indicators are used to mirror our SDG16, covering data on homicides and prisoners, occurrence of crime/violence/vandalism, the perception of corruption, confidence in the judicial system, and protection of property rights. Eurostat has added a new indicator on trafficking in human beings

to its dataset and it is included here. At EU level, they note that there has been a rise in trafficking for sexual or labour exploitation in the EU since 2018.

The data paint a favourable picture for Ireland: it is a relatively safe society with a low number of deaths associated with homicide or assault, and a lower perceived occurrence of crime, violence and vandalism, and we score well on the trafficking indicator. We conclude Ireland is doing well on this SDG based on the selected indicators, with an overall rank of 4.

SDG 16: Rank = 4

SDG 10 'Reduced inequalities'

SDG10 calls for reducing inequality relating to income, sex, ages, disability, race, class, ethnicity, and religion within and among countries. It also focuses on inequalities between countries, and migration and social inclusion. Increasing the income of the bottom 40 per cent of the population by adopting policies and legislation is another aim of SDG10.

In the EU, developments in SDG10 have been very favourable over the five-year period assessed. "Income inequalities within countries have improved since 2017, as shown by the narrowing income gaps between the richer and the poorer population groups (Eurostat, 2024, p.10).

Our assessment of SDG10 draws on 3 indicators to capture the theme of this goal. The data for the Palma Index, (the ratio of the richest 10 per cent of the population's share of gross national income divided by the poorest 40 per cent's share) shows Ireland is ranked 7th. Data for the Gini coefficient shows Ireland is ranked 6th place.

We include a measure of household debt (as % of NDI) to capture the extent that households have struggled with financial debt. The Netherlands, Denmark and Luxembourg are the worst performing countries on this indicator while Ireland scores highly on the measure. Overall, our selected indicators give a goal score that puts Ireland in the middle of the rankings for this SDG with a place of 5.

SDG 10: Rank = 5

SDG 17 'Partnership for the goals'

SDG17 focuses on the global macro economy to ensure an open universal multilateral trading system for sustainable development under the WTO. Global partnership and cooperation with developing countries can promote and develop sustained economic activity, which aids in achieving the targets of the 2030 Agenda.

In the EU, monitoring of SDG17 focuses on global partnership and financial governance within the EU. Eurostat note that overall, progress on SDG17 has improved compared with previous monitoring report editions but still shows a mixed picture (Eurostat, 2024, p.12). We use 3 indicators to reflect SDG17. Ireland's contribution to Overseas Development Aid (ODA) at 0.63% of Gross National Income (GNI)[31] in 2023.

Data for our second indicator comes from Eurostat; the share of environmental taxes as a proportion of revenue. Ireland is on a par with the European average on this indicator and is ranked 9th in our sample.

Combining our indicators, Ireland is ranked 13th overall. We need to interpret the ranking of SDG 17 with some caution. Lack of data means the indicators do not necessarily capture the key aims of the SDG. It is hoped that better and more reliable quality data will emerge to mirror this goal in time. All the SDGs can only be realised with a strong commitment to global partnership and cooperation.

SDG 17: Rank = 13

5.5 The Environment Index

Country scores and rankings for the Environment Index[32] are shown in Table 12. Our analysis sees Ireland in 11th among the EU14, implying the country faces significant challenges in meeting our commitment to the environment goals set out in Agenda 2030.

31 Eurostat note that the the EU's ratio of official development assistance (ODA) to gross national income (GNI) has grown strongly in 2022, in part due to support to Ukraine, putting the EU back on track to meet the 0.7% target set for 2030.

32 The 7 SDGS used to compute our Environment Index are: 6, 7, 11, 12, 13, 14 and 15.

Table 12 The Environment SDG Index – Ranking by Country

Country	Index Score	Country Rank
Sweden	0.600455	1
Netherlands	0.59724	2
Finland	0.584379	3
Germany	0.572836	4
Denmark	0.540002	5
Luxembourg	0.532164	6
Austria	0.499406	7
Greece	0.476364	8
Spain	0.453712	9
Belgium	0.444881	10
Ireland	0.44356	11
France	0.424798	12
Portugal	0.419393	13
Italy	0.409081	14

SDG 6 'Clean Water and Sanitation'

Ensuring the availability, cleanliness and hygiene and management of sustainable water is the main aim of SDG6. Water is a basic need so this goal calls for universal access to safe and affordable drinking water.

In the EU, available data for SDG6 paint a mixed picture for the EU. On the positive side, the share of people without appropriate sanitation facilities in their households has been steadily decreasing, and connectivity to at least secondary wastewater treatment has been improving slowly. However, trends regarding water quality are less favourable (Eurostat, 2024, p.15). Further, water scarcity is a concern, with the EU's water exploitation index showing a slightly increasing trend in recent years.

Results for this SDG in Ireland, which draw on 4 indicators, are also mixed. Indicators for access to improved drinking water and sanitation show further development is required. The proportion of wastewater that is treated is lower in Ireland relative to the best performing countries (ranked in 10th place). On a positive note, Ireland scores well on Eurostat's water exploitation index, which is a measure of total fresh water use as a percentage of the renewable fresh-water resources (groundwater and surface water) – Ireland is ranked in 4th place here.

The overall score puts Ireland in joint 10th place on this goal.

SDG 6: Rank = 10

SDG 7 'Affordable and Clean Energy'

SDG7 advocates access to reliable, affordable, and sustainable energy services. In order to fulfill demands, the goal calls on countries to facilitate access to clean energy research and technology and to promote investment in resource- and energy-efficient solutions and low-carbon energy infrastructure.

The goal-level assessment in the latest edition of Eurostat has deteriorated compared with the 2023 edition, "partly due to the repercussions of Russia's military aggression against Ukraine" (Eurostat, 2024, p.15). Similarly, our assessment suggests Ireland is also performing poorly on this goal. We use 4 indicators to reflect SDG7. Ireland's CO2 emissions from energy fuels combustion/electricity output (MtCO2/TW) are one of the highest in the sample. And the share of renewable energy is one of the lowest relative to our EU peers and is well below the EU average. On the other hand, final energy consumption in household per capita has fallen since 2000 and is now below the EU average (2023 data, Eurostat). The score for the proportion of people who are unable to keep their home adequately warm places Ireland in the middle of the rankings.

Combining the indicators gives a score that ranks Ireland in joint 10th place, suggesting that Ireland, like other EU countries, is struggling to meet the objectives of this goal.

SDG 7: Rank = 10

SDG 11 'Sustainable cities and communities'

SDG11 focuses on quality of life in cities and communities, sustainable transport and adverse environmental impacts. It aims to make cities safe and sustainable by ensuring access to safe and affordable housing, investing in infrastructure, and improving planning and management in a way that is both participatory and inclusive.

4 indicators are used here to mirror SDG11. We omit some of the official indicators that are more relevant to developing countries. On the plus side, air pollution is less of a problem in Ireland's urban areas than in many other EU countries – Ireland is ranked 3rd, with the Scandinavian countries doing better. Our second indicator attempts to capture 'satisfaction with public transport' and Ireland does poorly on this indicator (rank of 12). As the SDG calls for safe and affordable housing, we include a measure of severe housing deprivation (Eurostat data). We do better on this relative

to other countries in the sample (rank of 3). We also do well on the road accidents indicator (rank of 3).

Our choice of indicators suggest Ireland does well on this SDG. The overall score for quality of life in our cities and communities places Ireland in 2nd place.

SDG 11: Rank = 2

SDG 12 'Responsible consumption and production'

Consumption and production – key driving forces in the global economy – are the focus of SDG12. The main aim of SDG12 is about doing more and better with less. It calls for adopting sustainable practices and procedures for business and an increase in environmentally friendly activity by consumers to enhance sustainable consumption and production. Activity would be supported through the development of new technologies, production and consumption methods.

In the EU, the focus is on developments in the area of decoupling environmental impacts from economic growth, energy consumption, and waste generation and management. However, at the EU level, progress has been mixed. Similar trends are seen in Ireland. We use 6 indicators to generate our SDG12 assessment. Ireland ranks poorly overall on this SDG. Production of municipal waste is high among the sample of countries here, although it has fallen. The recycling rate of municipal waste is still very low (ranked 10th) and the indicator for circular material use (%) is the lowest among the countries. The overall score and rank of 11 based on our indicators shows the extent of the challenge facing Ireland on this goal.

SDG 12: Rank = 11

SDG 13 'Climate Action'

SDG 13 seeks to implement the commitment to the United Nations Framework Convention on Climate Change and operationalize the Green Climate Fund. SDG 13 integrates climate change mitigation and measures into strategies and policies to reduce the severity from the effects of climate related hazards and natural disasters.

Climate mitigation, climate impacts, and climate initiatives that support climate action are the main focus of this goal in the EU context. Commenting on the EU's progress on this SDG, Eurostat note that

greenhouse gas emissions have been reduced by 31% since 1990, but stronger progress will be required to meet the ambitious 55% reduction target for 2030 (Eurostat, 2024, p.14).

International agencies still find measuring this goal problematic when attempting to determine important trends. This is due to data limitations (for example, reliable and comprehensive measures of mitigation, impacts and initiatives). Our assessment of this SDG consists of 3 indicators. Eurostat utilize GHG emissions as a key indicator under this SDG and we use it here.

Ireland's emissions have for the most part declined over the years, but they continue to be above the EU average. Ireland is ranked last on this indicator. Our second indicator, emissions from passenger cars has certainly improved over the years and we are in the middle ranking for this measure. Our final indicator is the effective carbon tax rate[33] and Ireland is ranked 4th on this measure. Overall, however, the score for SDG13 is poor among the EU14 and Ireland is in 10th place.

SDG 13: Rank = 10

SDG 14 'Life below Water'

The aim of SDG14 is to conserve and sustain the use of oceans, seas and marine resources. Careful management of this essential global resource is a key priority for a sustainable future. Hence, SDG14 aims to reduce marine pollution, ocean acidification and overfishing as addressed through policy.

Due to data limitations, it has, and continues to be, difficult to estimate how each country is contributing to ocean health. Ocean acidification poses a risk to the marine environment and global climate regulation. Eurostat present some results for this SDG, but it is difficult to estimate how each country is contributing to ocean health and fishing pressure. Based on available information however, Eurostat argue that unfavourable trends are visible: due to the absorption of CO2 into the world's oceans, the mean surface seawater acidity is continuing to increase, and in 2022 reached another unprecedented high over pre-industrial levels (Eurostat, 2024, p.13). Available data for protected marine sites do not provide an indication of the sites' conservation status nor the effectiveness of the

33 The effective carbon rate is the sum of taxes and tradeable permits that put a price on carbon emissions. The measure here comes from the OECD and excludes CO2 from biomass.

protection they offer to species and habitats (Eurostat, 2024, p.13). Hence caution is advised in interpreting the findings here.

Given the data limitations at country level, our SDG14 is computed using 3 indicators for 12 countries[34], based on data on protected marine sites (important to biodiversity), quality of bathing sites by locality (from Eurostat) and a measure of ocean health available from the Ocean Health Index[35] which has estimates of ocean health by country. The overall score gives it a ranking of 8 on this SDG.

SDG 14: Rank = 8

SDG 15 'Life on land'

SDG15 is one of the key goals, along with SDG14 that incorporates environmental considerations for all UN member countries. It seeks to protect, restore and promote the conservation and sustainability of ecosystems. SDG 15 is concerned with the use of terrestrial, inland-water and mountain ecosystems, which are enhanced by halting deforestation, restoring degraded land and protecting species. This is especially important given global trends such as population growth and accelerating urbanization.

Eurostat's assessment of SDG 15 is grim. They argue that their assessment "confirms the results of other stocktaking reports and evaluations, which conclude that the conservation status of ecosystems and biodiversity in the EU is unfavourable, and that the negative impacts of EU life-style patterns on (global) biodiversity are considerable" (Eurostat, 2024, p.16).

We settle on five indicators to reflect SDG15. Ireland scores well on the protected freshwater indicator but less well on the protected terrestrial areas indicators. The Red List index which estimates biodiversity loss ranks Ireland in 9th place. Finally, the share of land dedicated for forestry and woodland (19%) is one of the lowest in the sample and is well below the EU average, with Ireland performing poorly on this indicator. Combining the indicators gives Ireland an overall rank on this SDG of 13.

SDG 15: Rank = 13

34 Both Austria and Luxembourg are landlocked – hence there is no data for this goal.

35 http://www.oceanhealthindex.org/region-scores/annual-scores-and-rankings. We use the clean waters score from the Index.

5.6 How Are We Doing Overall? - The Sustainable Progress Index

The SDGs call on all nations to combine economic prosperity, social inclusion, and environmental sustainability. Although there is clear evidence of progress in Ireland, still challenges remain. Table 13 simply summarizes how Ireland has scored on each SDG under the three dimensions.

Table 13 Ireland's Rank by Dimension and by SDG

Economy		Rank
SDG 8	Good Jobs and Economic Growth	4
SDG 9	Industry, Innovation and Infrastructure	10
Society		
SDG 1	No Poverty	7
SDG 2	Zero Hunger	12
SDG 3	Good Health and Wellbeing	3 (joint)
SDG 4	Quality Education	1
SDG 5	Gender Equality	10
SDG 10	Reduced Inequality	5
SDG 16	Peace and Justice	4
SDG 17	Partnerships for the Goals	13
Environment		
SDG 6	Clean Water and Sanitation	10 (joint)
SDG 7	Affordable and Clean Energy	10 (joint)
SDG 11	Sustainable Cities and Communities	2
SDG 12	Responsible Consumption and Production	11
SDG 13	Climate Action	10
SDG 14	Life Below Water	8
SDG 15	Life on Land	13

Source: Authors' analysis

Strengths

Much of the findings of our analysis mirror the Sachs et al (2024) assessment of Ireland's progress on the SDGs. Ireland scores well on several SDGs; 'Quality education' (SDG 4), 'Good health and wellbeing' (SDG3), 'Sustainable cities and communities' (SDG11), and Peace and justice' (SDG16). Ireland's performance on SDG4 has continued to be positive relative to the sample of countries here, much as expected. From basic education to tertiary

education, Ireland's reputation for 'quality education' is evident, although some consideration should be given to the low rate of adult participation in learning. Ireland also scores well on SDG8, which reflects economic growth and employment progress. The high score on SDG 11 indicates that Ireland is a relatively safe place to live with reasonably good transparent, effective and accountable institutions. Ireland's relatively good performance on 'Reduced inequalities' is worth noting (SDG10): it is likely however that this SDG score is impacted by choice of just 3 indicators in its construction, and the inclusion of a measure of household debt as a a percentage of GNI (Ireland scores well on this in the sample). We take a closer look at the issue of inequality measures below.

Weaknesses

Several of the SDG scores reflecting the environment show the need to address some important sustainability issues. Challenges lie ahead if Ireland is to achieve its objectives on 'Affordable and clean energy' (SDG7), 'Responsible consumption and production' (SDG12), 'Climate action' (SDG13), 'Clean water and sanitation' (SDG6), 'Life on land (SDG15). The low score on SDG2 'No hunger' emphasizes the need to embrace fully the idea of sustainable agriculture. Again, this is similar to the findings in Sachs et al (2024) for Ireland.

Somewhere in the Middle

The remaining SDGs lie in the middle of the rankings. But that does not imply we should be complacent. Successful implementation of the SDGs requires a balance between economic and social progress and sustaining the planet's environment and resources as well as combatting climate change. As noted by Antonio Guterres, Secretary General of the UN, "[w]ith more than six years left, we must not let up on our 2030 promise to end poverty, protect the planet and leave no one behind" (Antonio Guterres, Secretary General, UN, 2024, p.2).

The SDGs provide an ambitious, comprehensive plan of action for people, planet and prosperity. In 2024, Heads of State and Government gathered in New York for the SDG Summit to review progress towards delivery and areas requiring acceleration. Crucially, they reaffirmed their commitment to the SDGs, agreeing on the need for urgent, ambitious and transformative efforts to achieve the Goals in full by 2030 (UN, 2024). The goal of the SDGs is to change the perspective of public policy and our analysis has highlighted both the successes and challenges facing Ireland under the headings of economy, society and environment. In Table 14, we present the composite Sustainable Progress Index (SPI). We have argued before that a simple aggregate measure is useful as a quick and straightforward report card to track Ireland's overall performance on the SDGs compared to its EU peers: countries that have experienced similar levels of development.

As in previous years, the Nordic countries, along with the Netherlands, top the index rankings. **Ireland is in 9th place in the SPI 2025**.

Table 14 The Sustainable Progress Index (Ranking by Country)

Country	Index Score	Country Rank
Sweden	0.6708	1
Finland	0.6159	2
Netherlands	0.6003	3
Denmark	0.5938	4
Austria	0.5062	5
Luxembourg	0.5011	6
Belgium	0.4985	7
Germany	0.4952	8
Ireland	0.4943	9
France	0.4308	10
Portugal	0.4232	11
Spain	0.4099	12
Italy	0.3959	13
Greece	0.3568	14

Source: Authors' analysis

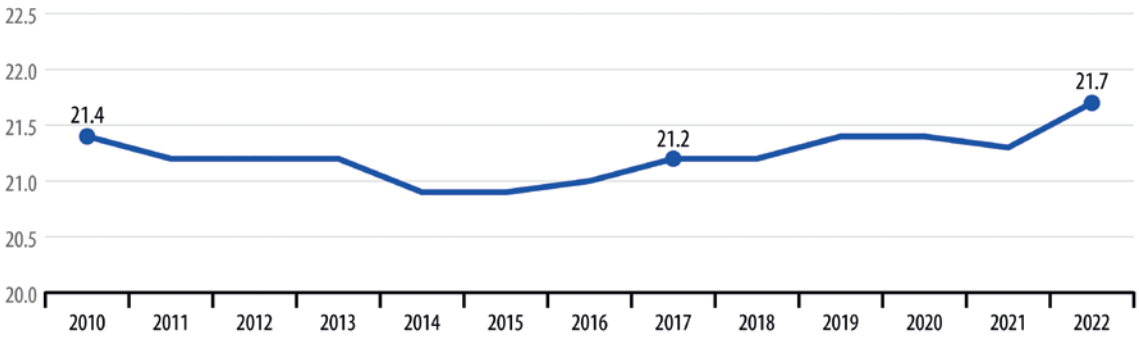
5.7 A Closer Look at 'Reduced Inequalities' SDG 10

In this section, we take a closer look at the data and indicators used to compute SDG10. It is widely agreed that economic prosperity alone will not achieve social progress. A high level of inequality can harm society in many ways. It can hamper social cohesion, result in lost opportunities for many, hinder economic activity, reduce social trust in institutions, lead to disproportionate exposure to adverse environmental impacts such as climate change and pollution, and undermine democratic participation (Eurostat, 2024, p. 189).

One of the ways of measuring inequality within EU countries is to analyse income distribution. An important indicator under SDG10 is the proportion of income received by the bottom 40% of the population (in terms of income)[36]. Trends at EU level show that this measure had been increasing between 2013 to 2018, then stagnated with a slight decline over the next two years. However, this has been reversed in recent years (see Figure 13). 21.7% was the share of total income earned by the bottom 40% of the EU population in 2021. When we look at it by country, we see that Ireland's 40% proportion (which is on the left of Figure 14) is slightly above the EU average in 2022 compared to that in 2017. The positive effects are again highlighted in Figure 15 for the EU 14 countries, with data for 2021 highlighting the growth in the bottom 40% of income share.

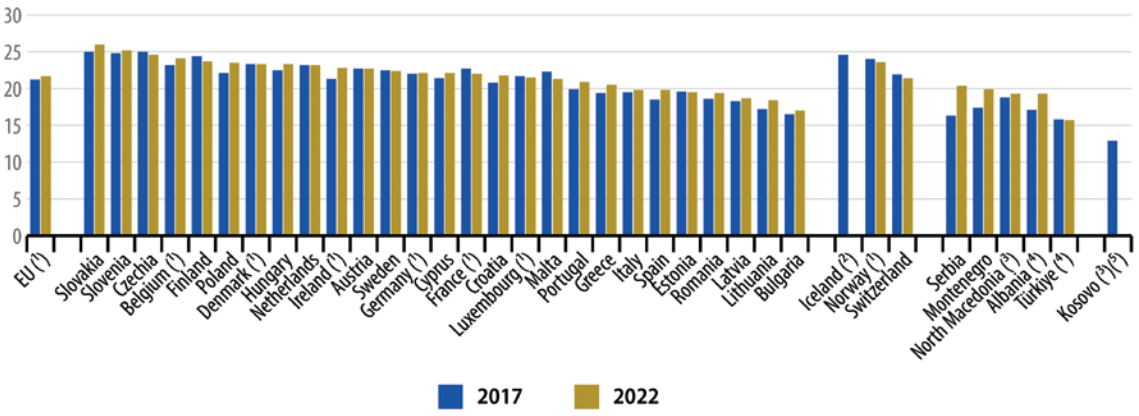
36 There are many different methods used to measure inequality. In this report, we use the PALMA index which focuses on the share of the bottom 40% of income earners relative to the top 10%.

Figure 13 Income Share of the Bottom 40% of the population, EU, 2010-2022



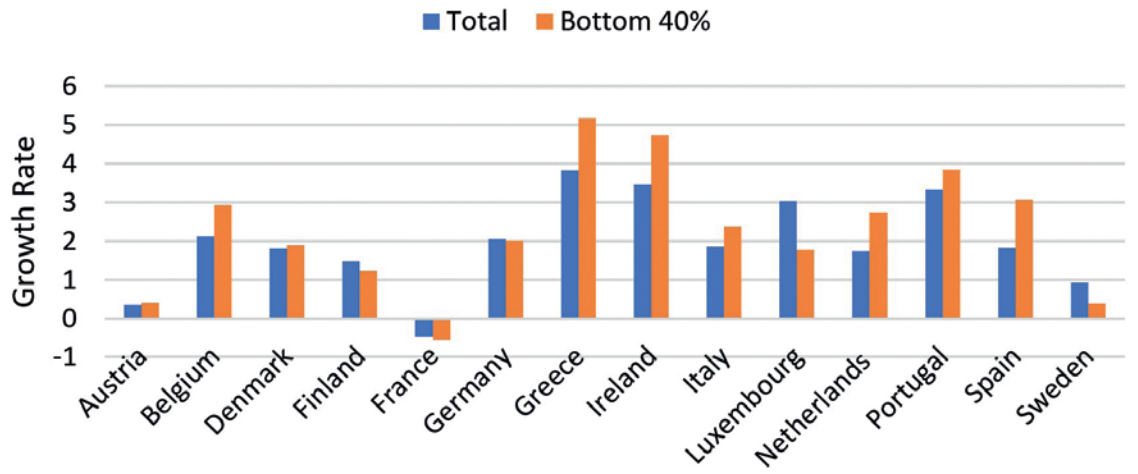
Note: 2014–2019 data are estimated; break in time series in 2020. The data are presented according to the year of the data collection but refer to the income of the previous year (for example, the data for 2022 refer to the income in the year 2021).
Source: Eurostat (online data code: sdg_10_50)

Figure 14 Income Share of the Bottom 40% of the population by country 2017 & 2022



Note: The data are presented according to the year of the data collection but refer to the income of the previous year (meaning that the data for 2022 refer to the income in the year 2021).
(1) Break(s) in time series between the two years shown.
(2) No data for 2022.
(3) 2020 data (instead of 2022).
(4) 2021 data (instead of 2022).
(5) 2018 data (instead of 2017).
Source: Eurostat (online data code: sdg_10_50)

Figure 15 EU 14 Growth in Income: Total and Bottom 40%, 2021

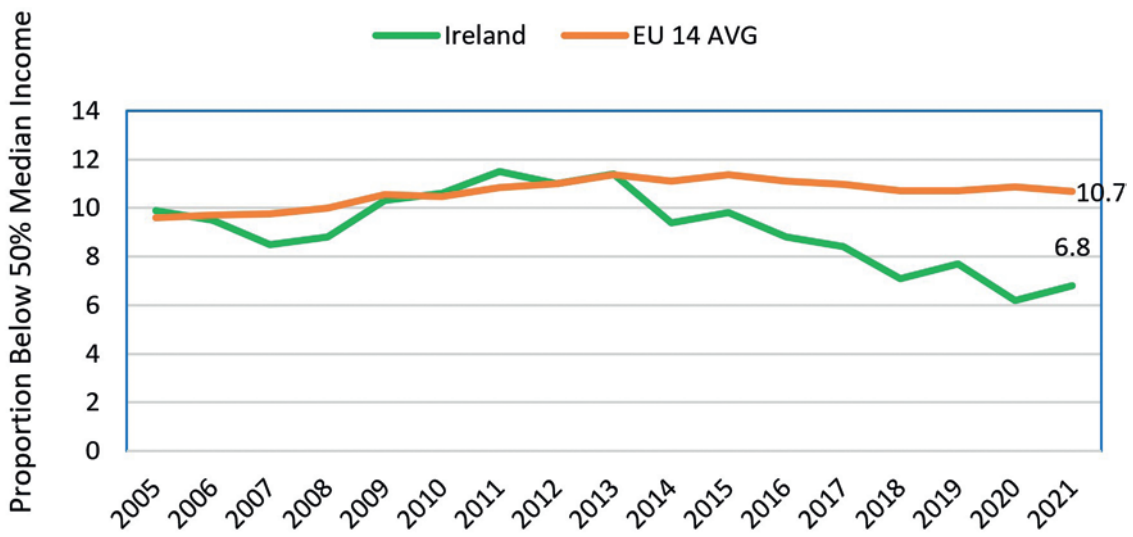


Source: World Bank Database

Another key indicator under SDG10 is the proportion of people living below half of the median income. Globally, UN data reveals that two thirds of countries with data have seen a reduction in this measure. And this trend continued during the pandemic. "Data from 82 countries, representing 70 per cent of the world's population, indicate a slight decline in the proportion of people living below half the median income post-2019 compared to 2015–2019, dropping from 12.8 to 12.1 per cent" (UN, 2024, p.28).

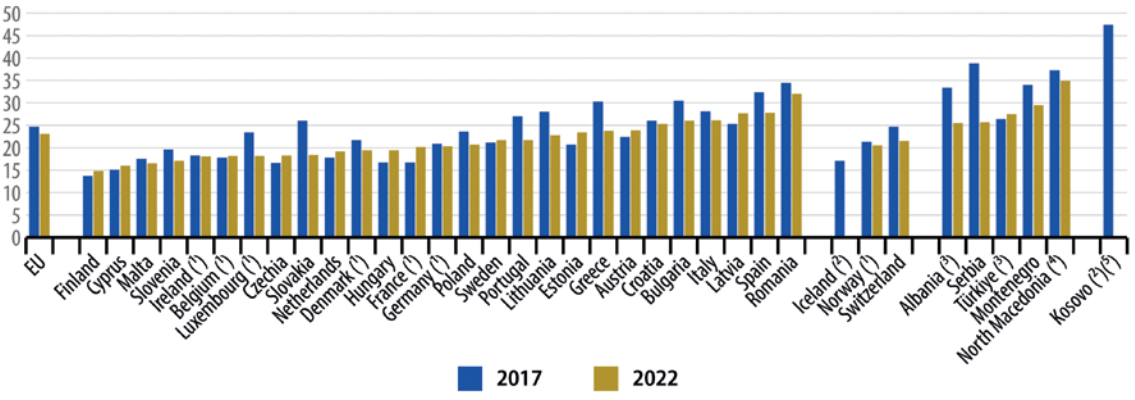
Figure 16 shows that the poverty rate in Ireland (proportion below the 50% median income) has fallen in Ireland, and by a greater amount than in the EU14 which has seen little change over the 2004-2021period. The World Bank data shows Ireland has seen a decline in this poverty measure, from 9.9% to 6.8% over the period.

Figure 16 Ireland and EU 14 AVG Poverty Rate, 2004-2021



Source: World Bank Database

Figure 17 Relative Median-at-Risk-of-Poverty Gap by country, 2017 and 2022 (% distance to poverty)



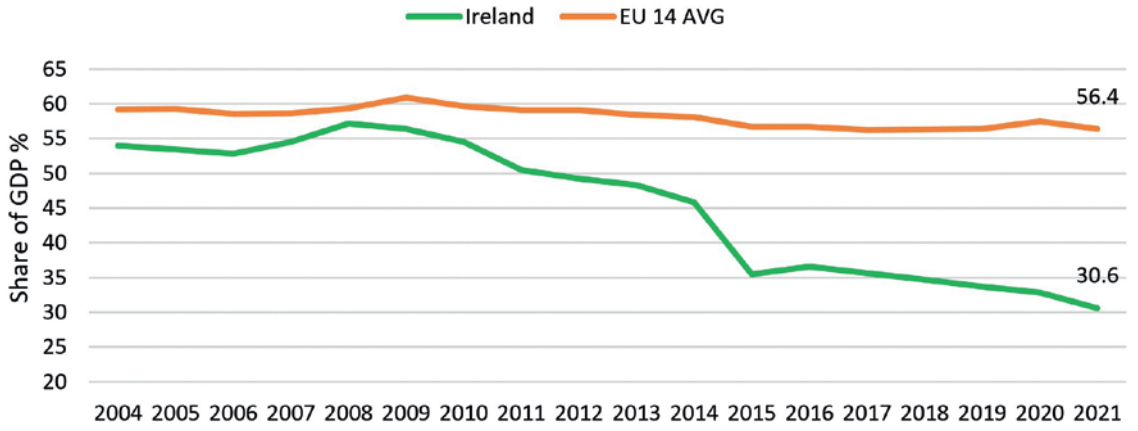
Note: The data are presented according to the year of the data collection but refer to the income of the previous year (meaning that the data for 2022 refer to the income in the year 2021).
(1) Break(s) in time series between the two years shown. *(3) 2020 data (instead of 2022).* *(5) 2018 data (instead of 2017).*
(2) No data for 2022. *(4) 2021 data (instead of 2022).*
Source: Eurostat (online data code: sdg_10_50)

A slightly different measure is used by Eurostat - the relative median at risk-of poverty rate, with a 60% threshold. Figure 17 highlights the changes to this measure from 2017-2022. And we can see again that Ireland's measure has declined over the period.

The labour share is another important economic indicator as it reflects the distribution of income between workers and capital owners. National income, which represents the total value of all goods and services produced in a country's economy, is primarily distributed between two groups: workers and capital owners. The UN's most recent report notes that the global share of people living on less than half the median income has been declining due to social assistance programmes. However, workers' wages have not kept pace with productivity, and labour's share of GDP has resumed its long-term decline (UN, 2024, p.28).

Figure 18 sheds some light on Ireland and the EU. We can see that in Ireland, the share of labour accounting for GDP has also fallen, as it has in the EU, but the extent of the decline is greater in Ireland. Importantly, a decline in the labour share implies that the gains from economic growth are not being shared equally between workers and capital owners.

Figure 18 Ireland and EU 14 AVG Labour share of GDP, 2004-2021



Source: ILO, World Bank

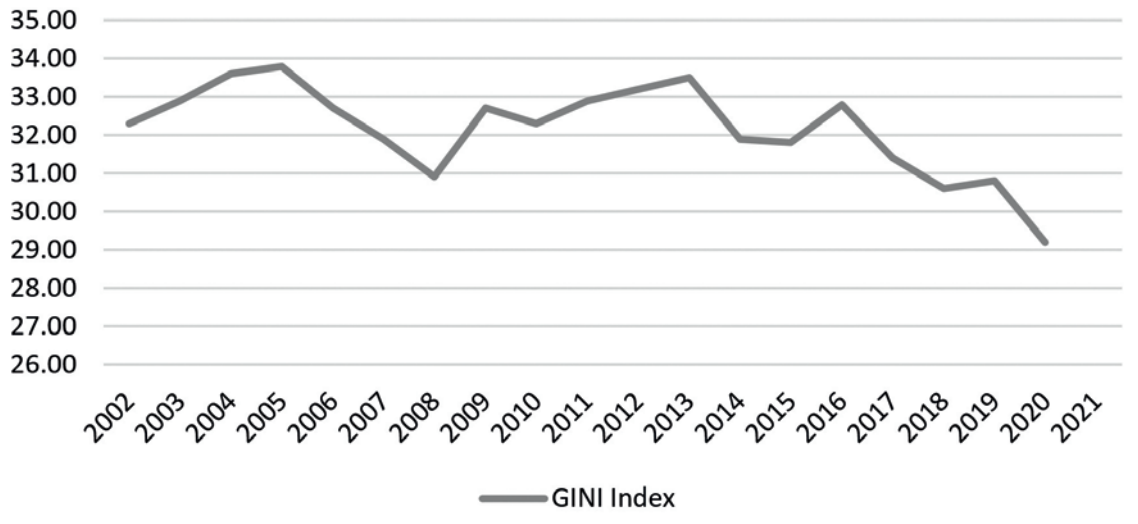
Fiscal policy has played a major role in reducing inequality in the past and is the primary tool available for governments to affect income distribution. Table 15 shows that the distribution of market income in Ireland is more unequal than disposable income (as it is in most countries). As expected, fiscal policy and distribution has significantly positive effects on income inequality in all EU countries, and the effect is important in Ireland – the GINI fell by over 15 percentage points in 2020, although it is still slightly above the EU average (see Table 15).

Table 15 Inequality: Pre and Post Fiscal Policy and Effects on the GINI in 2020

Country	Year	Pre Fiscal Gini	Country	Year	Post Fiscal Gini
Greece	2019	45.47	Spain	2020	31.88
Luxembourg	2020	44.84	Greece	2019	31.60
Ireland	2020	44.75	Netherlands	2019	31.30
France	2019	44.5	Luxembourg	2020	30.85
Portugal	2020	42.98	Portugal	2020	30.38
Spain	2020	42.96	France	2019	29.70
Finland	2019	42.86	Germany	2019	29.41
Austria	2019	42.67	Ireland	2020	29.07
EU 14 AVG		42.07	EU 14 AVG		29.06
Belgium	2019	41.72	Austria	2019	28.42
Netherlands	2019	41.4	Finland	2019	27.54
Germany	2019	40.53	Norway	2019	27.30
Denmark	2019	39.71	Sweden	2019	26.90
Norway	2019	38.5	Denmark	2019	26.69
Sweden	2019	36.1	Belgium	2019	25.73

Source: World Bank Database

Figure 19 Trends in the GINI Index in Ireland



Source: World Bank Database

Finally, it is worth taking a look at the trend in the overall GINI coefficient in Ireland over the longer period. The data in Figure 19 confirm the declining trend in this measure (as we saw in the SDG10 score and rank in our earlier section). However, despite positive developments

in the past five years, the income gap between the rich and the poor remains large in Ireland, as it does in the EU. Leaving no one behind is a crucial part of achieving the SDGs, and although the income gap between high-income and low-income households in the EU has narrowed over the past few years (Eurostat, 2024, p193), we need to continue to focus effects on reducing inequalities as a prerequisite for solving many interdependent problems.

6

Conclusion and Future Policy Considerations

With only five years remaining until 2030, time is running out to achieve the 17 Sustainable Development Goals by the deadline set in 2015. In its 2025 Programme for Government, Securing Ireland's Future, the Irish Government commits to 'Implement a Whole-of-Government Strategy to fully integrate the SDGs into national policies and initiatives, ensuring that each goal is actively pursued across all levels of government.' (Government of Ireland, 2025, p. 51) This report not only measures progress, but also sets forth a suite of policy recommendations that can significantly progress Ireland's implementation of Agenda 2030.

The SDGs are designed to expand policy attention beyond economic growth, and to refocus the objective of development towards environmental, social and economic wellbeing. In this regard, the SDGs are complementary to Ireland's Well-being Framework, as was noted in the Government's own second report on the Well-being Framework (Government of Ireland, 2022, pp. 30-32). In 2022, the Irish Government published its first report on the country's well-being, *Understanding Life in Ireland: The Well-being Dashboard 2022*. This development was warmly welcomed by *Social Justice Ireland* in our 2022 edition of this report (Clark, Kavanagh, & Bennett, 2022). The 2022 *Understanding Life in Ireland* report was followed reports in 2023 and 2024.

The Government's Well-being reports assess progress using Ireland's Well-being Dashboard which consists of a total of 35 indicators across economic, environmental and social issues. These 35 indicators provide a snapshot of progress on eleven dimensions outlined in the Well-being Framework:

- Subjective wellbeing
- Mental and physical health
- income and wealth
- knowledge, skills and innovation
- housing and the built environment
- environment, climate and biodiversity
- safety and security
- work and job quality
- Time use
- Connections, community and participation
- Civic engagement, trust, and cultural expression

The indicators initially tracked progress over time (performance over a five year period) and by international comparison (measured against the EU average). In 2023, significant strides were made with the addition of two further key factors in assessment: equality and sustainability. This approach offered a more comprehensive understanding of national well-being. A subset of 14 indicators were identified as particularly important for sustainability, and the methodology was updated to also asses the level of equality within each dimensions (Government of Ireland, 2023).

Unfortunately, the 2024 iteration of the Well-being report (Government of Ireland, 2024), while continuing to offer insights into Ireland's progress, falls short in addressing equality and sustainability – the very pillars essential for ensuring inclusive and resilient well-being. While equality and sustainability continue to be included in the narrative of the report, these critical factors are no longer part of the core progress measurement. We are deeply concerned by this development. Indeed, *Social Justice Ireland* was party to the consultation report published by the National Economic and Social Council (NESC) on the development of the Well-being Framework which highlighted equality as one of three overarching and inter-linked priorities, along with agency and sustainability (NESC, 2021). As we have stressed in this report, the growth of inequality and impact of climate change pose existential risks, and therefore require close attention. Consideration of equality and sustainability must be built into policy-making if we are to address interconnected challenges such as housing affordability, income disparities, and working conditions – issues that require not just aggregate progress but equitable and sustainable solutions.

Notwithstanding this backward step, the development of a multi-dimensional framework to measure progress in societal wellbeing remains positive. As noted above, there is significant cross-over between the SDGs and the Well-being Framework, as illustrated in Figure 20. Explicit linking of the SDGs to the eleven dimensions of the Well-being Framework

would help mutually reinforce each other and ensure policy coherence between our national targets and our international commitments.

Furthermore, *Social Justice Ireland* has consistently proposed a policy framework for a new Social Contract that identifies five key policy outcomes: a Vibrant Economy; Decent Services and Infrastructure; Just Taxation; Good Governance; and Sustainability (Bennett, Healy, Murphy, & Murphy, 2020). Each of these five key policy outcomes must be achieved if a new Social Contract is to be achieved. It is not enough to have three or even four of the five, while neglecting other areas. All five must be worked on simultaneously. The eleven dimensions of the Well-being Framework can be mapped onto *Social Justice Ireland's* framework for a renewed Social Contract, as outlined in our 2022 paper, 'What Counts When It Comes to Wellbeing?', contained in *Towards Wellbeing for All* (Bennett C. , 2022). See Figure 21.

Figure 20 Well-being Framework and SDG Alignment

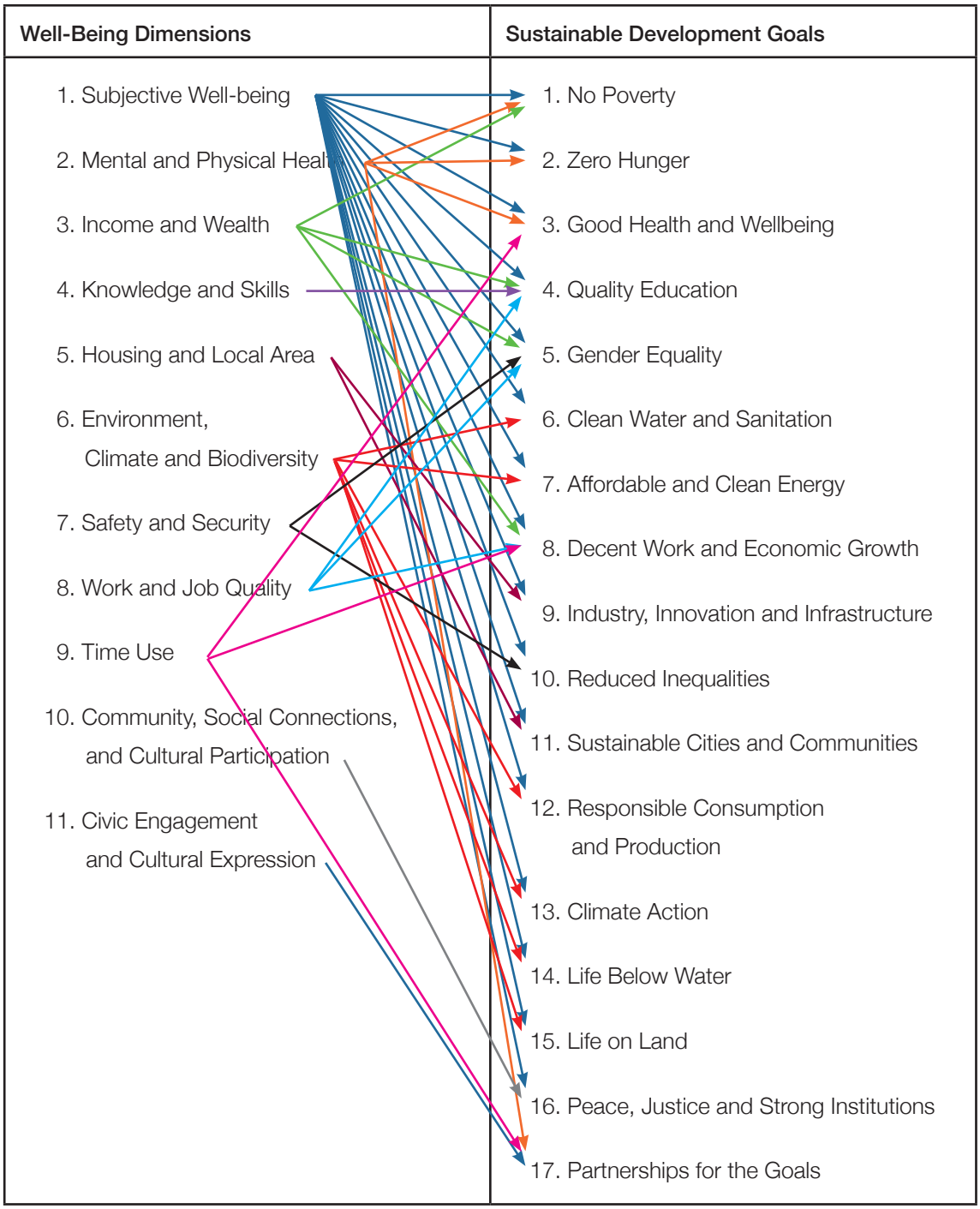


Figure 21 Well-being Framework and the Social Contract

Vibrant Economy	Decent Services & Infrastructure	Just Taxation	Good Governance	Sustainability
				
Work & Job Quality	Subjective Wellbeing	Income & Wealth	Safety & Security	Environment, Climate & Biodiversity
Knowledge, Skills & Innovation	Mental & Physical Health		Civic Engagement, Trust & Cultural Expression	Time Use
	Housing & Built Environment			
	Connections, Community & Participation			

6.1 Policy Proposals

A properly functioning Wellbeing Framework would support Ireland to achieve the Sustainable Development Goals and also realize the five key policy outcomes needed to renew the Social Contract as proposed by *Social Justice Ireland*. However, putting this interconnectedness into practice will require transformational change across all levels of Government and be supported by real Social Dialogue and participation. This will need to be facilitated by the introduction of local social dialogue mechanisms to ensure that all communities have a say in their own Wellbeing. We make the following policy recommendations for the achievement of each of the 17 Sustainable Development Goals, linking them to the five policy outcomes for a renewed Social Contract and the eleven dimensions of the national Well-being Framework.

SDG 1 – No Poverty

A Vibrant Economy	
Work & Job Quality	• Recognise the challenges of long-term unemployment and of precarious employment and adopt targeted policies to address these. • Support the widespread adoption of a Living Wage so that low paid workers receive an adequate income and can afford a minimum, but decent, standard of living.

Decent Services and Infrastructure	
Subjective Wellbeing	• Support policies that enhance the standard of living of people who are most marginalised, including people with disabilities. • Set a 5-year plan for dramatically reducing poverty in Ireland, coupled with accountability mechanisms to mobilise a multi-departmental approach to the crisis of poverty. • Benchmark core social welfare rates to average weekly earnings, starting with a rate of 27.5 per cent of average weekly earnings, and setting out an indexation roadmap to reach the minimum essential budget standard. • Specifically, address poverty among people with disabilities, starting with the introduction of a weekly cost of disability payment.
Housing & Built Environment	• Increase the provision of 'Housing First' accommodation for families in emergency accommodation, with wraparound supports. • Introduce legislation to limit the length of time families can spend in Family Hubs and other emergency accommodation. • Support the development of social and affordable housing on State lands. • Introduce an Equity Scheme for Borrowers in Long Term Mortgage Arrears.
Just Taxation	
Income & Wealth	• Commit sufficient resources to achieve policy targets on poverty reduction. • Implement a Refundable Tax Credit System to support the working poor. • Seek to replace the Local Property Tax with a Site Value Tax and increase the tax-take, while including hardship measures for those who cannot afford to pay it in full.
Good Governance	

Civic Engagement & Cultural Expression	• Establish an expert social infrastructure and community planning forum to address the following issues:
	  ○ What universal basic services will be required by all demographic cohorts between now and 2057?
	  ○ How should these services be designed and resourced?
	  ○ What would be an acceptable minimum basic floor of income support for every demographic cohort?
	  ○ How best to combine this basic floor of income support and universal basic services to ensure improved social progress and enhanced wellbeing for all as we plan to meet the needs of a growing and ageing population?
	  ○ What would a minimum social floor for every member of society look like over time?
	• The work of this forum should be underpinned by seven basic economic, social and cultural rights: Sufficient income to live life with dignity; Meaningful work; Appropriate accommodation; Relevant education; Essential healthcare; Cultural respect; and Real participation in society.
	• Introduce impact assessment and poverty proofing on all Government initiatives.

SDG 2 – No Hunger	
A Vibrant Economy	
Knowledge & Skills	• Support 'farm to fork' and short supply chains in food production.
Decent Services and Infrastructure	
Mental & Physical Health	• Fund research on food poverty through stakeholder groups such as the Vincentian Partnership for Social Justice, St. Vincent de Paul and MABS. • Expand the 'hot school meals' programme, particularly for schools and pre-schools in disadvantaged areas and those with a high concentration of homeless children / children living in Direct Provision who do not have their own cooking facilities.
Sustainability	
Environment, Climate & Biodiversity	• Provide funding for research on local initiatives on sustainable food production.

SDG 3 – Good Health	
Decent Services and Infrastructure	
Subjective Wellbeing	• Increase educational campaigns promoting health, targeting particularly people who are poor, acknowledging that a preventative approach saves money in the long run.

Mental & Physical Health	• Enhance the process of planning and investment so that the healthcare system can cope with the increase and diversity in population and the ageing of the population projected for the next few decades. • Complete the roll-out of the Community Health Networks and increase the availability and quality of Primary Care and Social Care services. • Ensure medical card-coverage for all people who are vulnerable. • Act effectively to end the current hospital waiting list crisis. • Create a statutory entitlement to Home Care Services. This will require increased funding, but will save the State money long-term, as home support allows people to remain living in their own homes, rather than entering residential nursing care. • Implement all aspects of the dementia strategy. • Properly resource and develop mental health services and facilitate campaigns giving greater attention to the issue of suicide. • Improve active travel infrastructure such as walking tracks and cycling lanes, and work towards making these a permanent transport feature in both rural and urban areas. • Support the integration of primary care networks and GP led community healthcare services. • Support the roll-out of 'Smile agus Sláinte' as part of primary care provision.
Good Governance	
Civic Engagement & Cultural Expression	• Ensure that announced budgetary allocations to health provision are valid, realistic and transparent and that they take existing commitments into account. • Work towards full universal healthcare for all. Ensure new system structures are fit for purpose and publish detailed evidence of how new decisions taken will meet healthcare goals.

SDG 4 – Quality Education

A Vibrant Economy	
Knowledge & Skills	• To meet the digital and green transition challenges develop an integrated skills development, digital transition, vocational training, apprenticeship and reskilling strategy. • Revise our lifelong learning target to reach 20 per cent by 2030, ensuring sufficient resources are made available. • Fully resource 'Adult Literacy for Life' by increasing the adult literacy budget to €100 million by 2030, including €25 million to improve ancillary and support services.

Decent Services and Infrastructure	
Subjective Wellbeing	• Make the improvement of educational outcomes for pupils from disadvantaged backgrounds and disadvantaged communities a policy priority, with additional resources focused on addressing the persistence of educational disadvantage. • Adequately resource the DEIS programme, and ensure adequate resources are allocated to non-DEIS schools to enable them to fully support disadvantaged pupils. • Publish an implementation roadmap for the recommendations of the OECD Review of Resourcing Schools to Address Educational Disadvantage in Ireland • Commit to increasing investment in Early Childhood Care and Education by 0.1 per cent of GDP annually to reach 1 per cent of GDP by 2028. • Commit to reducing class sizes and pupil teacher ratios at primary and post primary level by 1 point per annum to 2030.
Connections, Community & Participation	• Ensure full implementation of the 'Our Public Libraries 2022' strategy and ensure that its implementation is inclusive and supportive of smaller branch libraries as a hub for local communities. • Enhance community education programmes and life-long learning through the library network.
Good Governance	
Safety & Security	• Adopt and implement a national financial literacy strategy.

SDG 5 – Gender Equality

Decent Services and Infrastructure	
Connections, Community & Participation	• Support high-quality community childcare, particularly in disadvantaged areas.
Just Taxation	
Income & Wealth	• Introduce a Universal State Social Welfare Pension.
Good Governance	
Safety & Security	• Following our ratification of the Istanbul Convention, Ireland is obligated to have 515 family places for victims of Domestic Sexual and Gender-Based Violence. Ireland is falling far short of this target. Government must meet its commitment to provide further refuge spaces for victims of DSGBV.

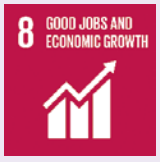
SDG 6 – Clean Water and Sanitation

Decent Services and Infrastructure	
Mental & Physical Health	• Develop a Drinking Water Safety Plan, following EPA Guidelines, for each public water supply, identifying all potential risks and detailing mitigation and control measures.
Housing & Built Environment	• Invest in Ireland's wastewater system.
Sustainability	
Environment, Climate & Biodiversity	• Continue to provide support and advice to farmers to improve water quality under the Agricultural Sustainability Support and Advice Programme.

SDG 7 – Renewable Energy

Decent Services and Infrastructure	
Connections, Community & Participation	• Invest in renewable energy transition programmes for Local Authority offices and community spaces.
Sustainability	
Environment, Climate & Biodiversity	• Upgrade the national grid and invest in infrastructure necessary to support a transition to renewable energy. • Invest in research and development for the use of renewable energy in our public transport systems.

SDG 8 – Good Jobs & Economic Growth



A Vibrant Economy	
Work & Job Quality	• Review the sustainability of jobs created through LEOs and develop plans to ensure the security of decent work.

Just Taxation	
Income & Wealth	• Plan for projected labour market changes and social insurance fund shortfalls increasing all PRSI rates by 0.5% a year for the next five years (reaching 6.6% and 13.65% by 2030) and develop a funding roadmap for the social insurance fund out to 2040. • Commit to an annual review of Tax Expenditures to be presented to the Oireachtas as part of the Budgetary process.

SDG 9 – Industry, Innovation & Infrastructure

Decent Services and Infrastructure	
Housing & Built Environment	• Launch a major investment programme focused on prioritising initiatives that strengthen social infrastructure, including a comprehensive school building programme and a much larger social housing programme. • Expedite the roll-out of the National Broadband Plan, commencing with those with the largest proportion of premises dependent on it.
Sustainability	
Environment, Climate & Biodiversity	• Apply the principle of the 'common good' to public investment into climate research and development to ensure the resulting innovations remain a public good and accessible to all.

SDG 10 – Reduced Inequalities

A Vibrant Economy	
Work & Job Quality	• Recognise that the term "work" is not synonymous with the concept of "paid employment". Everybody has a right to work, i.e. to contribute to his or her own development and that of the community and the wider society. This, however, should not be confined to job creation. Work and a job are not the same thing.
Decent Services and Infrastructure	
Housing & Built Environment	• Legislate to require all Local Authorities to utilise the full allocation for Traveller specific accommodation and support the development of sites for this purpose.
Connections, Community & Participation	• Work to eliminate the barriers faced by people with disabilities in accessing basic services such as housing, healthcare, and education. • Fully implement the National Traveller and Roma Inclusion Strategy.

Just Taxation	
Income & Wealth	• Introduce a Minimum Effective Corporate Tax Rate of 10 per cent. *Social Justice Ireland* welcomes Ireland's adoption of a 15 per cent rate from 2024 to apply to all firms with a global annual turnover of over €750m. However, a minimum effective rate of corporate tax should be extended to all firms over the coming years to ensure everybody pays their fair share. We recommend a headline rate of 17.5 per cent and a minimum effective rate of 10 per cent, to be achieved over a number of years starting with a minimum rate of 6 per cent.
Good Governance	
Safety & Security	• Fully implement the recommendations of the Commission for the Elimination of Racial Discrimination within a reasonable timeframe. • Fully implement the recommendations of the 2024 Trafficking in Persons Report. • As more and more make the move to online and digital money services, especially those who may be unused to using these services, effective education and fraud prevention measure must be enhanced.
Civic Engagement & Cultural Expression	• Ensure adequate funding for civil legal aid.
Sustainability	
Time Use	• Give greater recognition to the work carried out by carers in Ireland and introduce policy reforms to reduce the financial and emotional pressures on carers. These should focus on addressing the poverty experienced by many carers and their families and on increasing the provision of respite opportunities for carers and to those for whom they care. • Request the CSO to conduct an annual survey to discover the value of all unpaid work in the country.

SDG 11 – Sustainable Cities & Communities

Decent Services and Infrastructure	
Mental & Physical Health	• Ringfence continued funding to encourage sports participation and active lifestyle programmes.

Housing & Built Environment	• Set a target of 20 per cent of all housing stock to be social housing by 2040 and achieve this through building more social housing unit. • Ensure that no State land suitable for housing is sold by a Local Authority or State agency. • Address affordability through supply-side initiatives such as new methodologies and procurement processes, rather than demand-side subsidies. • Develop a spectrum of housing supports for people with disabilities. • Resource the enforcement of legislation targeting short-term lettings. • Begin the process of reducing the reliance of the rental sector on Housing Subsidies. • Allow local authorities and Approved Housing Bodies pool resources to sustainably finance increased supply. • Review planning legislation to ensure that its terms are consistent with the objectives of the SDGs and democratic engagement.
Connections, Community & Participation	• Invest in the provision and maintenance of community spaces, playgrounds, and youth centres. • Increase funding for community development, and for community development workers, to build the capacity of local communities to identify and respond to their own needs and engage in the policy making process
Just Taxation	
Income & Wealth	• Government should set a new tax-take target set on a per-capita basis to ensure adequate resources available for investment, especially as windfall revenue withdraws. Ireland's overall level of taxation should reach a level equivalent to €15,000 per capita in 2017 terms. This target should increase each year in line with growth in nominal GNI*.
Good Governance	
Safety & Security	• Review building regulations to ensure good ventilation, heating and fire safety standards across all building.
Civic Engagement & Cultural Expression	• Review planning legislation to ensure that its terms are consistent with the objectives of the SDGs and democratic engagement.
Sustainability	
Environment, Climate & Biodiversity	• Improve the primary road network across the country to support the increased provision of public transport. • Invest in a deep retrofitting programme for community spaces.

SDG 12 – Responsible Consumption

Just Taxation	
Income & Wealth	• Place a levy on single-use plastics. • Clarify and enforce the Vacant Site Levy legislation to ensure it achieves its original purpose. • Introduce an aviation fuel tax. • Reintroduce the Windfall Gains Tax at 80 per cent. • Explore new initiatives to promote behavioural change through the tax system.
Sustainability	
Environment, Climate & Biodiversity	• Introduce a circular economy package for Ireland across all areas of economic activity. • Invest in the development of short supply chains. • Eliminate all single-use plastics from Local Authority buildings and public spaces. • Develop open consultation on ambitious waste management plans beyond 2021. • Adopt the principles of a circular economy, particularly for construction and demolition waste.

SDG 13 – Climate Action

Decent Services and Infrastructure	
Connections, Community & Participation	• Develop a comprehensive mitigation and transition programme to support communities and people in the transition to a low carbon society.
Just Taxation	
Income & Wealth	• Increase carbon taxes in line with IPCC recommendations.

Good Governance	
Civic Engagement & Cultural Expression	• Ensure that all people are treated fairly in the creation of policies and projects that address climate change as well as in the systems that create climate change. • Develop Climate Change Adaptation Strategies in each Local Authority area, with the collaborative input of local communities and Public Participation Networks, supported by dedicated sustainable funding in the medium to long-term. • Establish a Just Transition and Adaptation Dialogue to ensure rural areas are not disproportionately impacted by low carbon policies and are supported to meet the challenges posed by the future of work.
Sustainability	
Environment, Climate & Biodiversity	• Set ambitious emissions reduction targets for 2030 and ensure sufficient resources to support implementation of these targets.

SDG 14 – Life Below Water

Sustainability	
Environment, Climate & Biodiversity	• Fully implement the National Integrated Maritime Plan. • Regulate harvesting and end over-fishing. • Implement policies to restore fishing stocks to sustainable levels. • Put a plan in place to tackle pesticides in drinking water. • Implement the 'Nature' programmes set out in the Climate Action Plan published by the Department of Environment, Climate and Communications.

SDG 15 – Life on Land

Sustainability	
Environment, Climate & Biodiversity	• Increase afforestation of native trees and reduce planting of Sitka spruce. • Ensure that sustainable agriculture policy, sustainable land management, and short supply chains for farmers and consumers form the basis of future agricultural policy. • Invest in programmes to rewet the boglands. • Implement the 'Nature' programmes set out in the Climate Action Plan published by the Department of Environment, Climate and Communications.

SDG 16 – Peace and Justice	
Decent Services and Infrastructure	
Connections, Community & Participation	• Develop a sustainable strategy for public participation, to include medium and long-term objectives and associated budget commitments. • Adequately resource the Public Participation Network (PPN) structures for participation at Local Authority level. Move from an annual funding model for PPNs to a 3 to 5-year renewable commitment.
Just Taxation	
Income & Wealth	• As part of the annual budgetary process, Government should publish an Annual Resourcing Statement outlining how much resourcing is required to maintain existing levels of service, to deliver additional services, and how this might be raised.
Good Governance	
Civic Engagement & Cultural Expression	• Government should ensure that all voices are heard and include all stakeholders in the policy-making process. • National Economic and Social Dialogue should include all five pillars. • Restore funding to the Community and Voluntary Pillar. • Establish greater transparency of lobbying activities. • Establish a Dialogue Forum in every Local Authority involving Local Authorities and the Public Participation Networks (PPNs). • Introduce an ex-ante social impact assessment of all policy proposals to be discussed at Oireachtas Committees.
Sustainability	
Environment, Climate & Biodiversity	• Integrate climate adaptation and natural capital accounting into the annual budgetary process and our national accounting systems. • Integrate green budgeting and social impact assessment of all climate proposals into the policy making process.

SDG 17 – Partnership for the Goals

Good Governance	
Civic Engagement & Cultural Expression	• Increase Official Development Assistance (ODA), reaching the UN Target of 0.7 per cent of GNI* by 2030. • Tag all Government policies and policy proposals with the relevant SDGs. • Adopt targets and a reporting system for each of the Sustainable Development Goals. • Develop a new National Index of Progress, ensuring social and environmental issues are incorporated into our national accounts. • Include in the Commission for Regulating Lobbying's Annual Reports policy areas with the greatest lobbying activity, the lobbying organisations and the designated public officials engaged to highlight to the general public those influencing the political decision-making process. • Develop strategic partnerships with Local Authorities and local government organisations, in Europe and Internationally, to support the implementation of the Goals. • Ensure coherence between national and local government policies.

7

References

Bennett, C. (2022). What Counts When it Comes to Wellbeing? *Towards Wellbeing for All* (pp. 159-194). Dublin: Social Justice Ireland.

Bennett, C., Healy, S., Murphy, E., & Murphy, M. (2020). *Building a New Social Contract: Policy Recommendations.* Dublin: Social Justice Ireland.

Bergh, Andreas; Nilsson, Therese and Waldenstrom, Daniel. (2016). *Sick of Inequality? An Introduction to the Relationship between Inequality and Health*, Cheltenham, UK: Edward Elgar.

Birdlife International data: https://datazone.birdlife.org/

Bolt and van Zanden - Maddison Project Database (2023), Maddison Historical Statistics | Historical Development | Groningen Growth and Development Centre | University of Groningen.

Clark, Charles M. A. (1992). *Economic Theory and Natural Philosophy: the Search for the Natural Laws of the Economy*, Aldershot, England: Edward Elgar Publishing.

Clark, Charles M. A. (2002). *The Basic Income Guarantee: Ensuring Progress and Prosperity in the 21st Century*. Ireland: Dublin: Liffey Press.

Clark, Charles M. A. (2021a). "Development Policy and the Poor, Part 1: The Preferential Option for Merchants, Capitalists and Bureaucrats" *American Journal of Economics and Sociology,* 2021, 80(4), pp. 1109-1129.

Clark, Charles M. A. (2021b). "Development Policy and the Poor Part 2: Preferential Option for the Poor" *American Journal of Economics and Sociology,* 2021, 80(4), pp. 1131-1154.

Clark, Charles M. A and Alford, OP, Helen. (2019). "The Throwaway Culture in the Economy of Exclusion: Pope Francis and Economists on Waste", *American Journal of Economics and Sociology,* 78(4), pp. 973-1008.

Clark, Charles M. A. and Kavanagh, Catherine. (1996). "Progress, Values and Economic indicators" in *Progress, Values and Economic Indicators* edited by Brigid Reynolds and Sean Healy, Dublin: CORI, pp. 60-92.

Clark, Charles M. A. and Kavanagh, Catherine. (2018). *Some Reflections on Inequality in Ireland* Policy Research Series, Social Justice Ireland, Dublin.

Clark, Charles M. A., Kavanagh, Catherine, & Bennett, Colette. (2022). *Measuring Progress: Economy, Society and Environment in Ireland 2022.* Dublin: Social Justice Ireland.

Clark, Charles M.A. and Gevorkyan, Aleksandr V. (2020). "Artificial Intelligence and Human Flourishing" *American Journal of Economics and Sociology,* Vol. 79, Issue 4, pp. 1307-1344.

Collins, Jim. (2011). *Good to Great*, New York: Harper Business.

Douglas, M. and B. Isherwood. (1979) *The World of Goods,* London: Routledge.

Eurostat Data: http://ec.europa.eu/eurostat/data/database

Eurostat. (2017). *Sustainable Development in the European Union: Overview of Progress Towards the SDGs in and EU Context*, Luxembourg: European Union.

Eurostat. (2022). *Sustainable Development in the European Union: Monitoring Report on Progress towards the SDGs in an EU context*, Luxembourg: Publications Office of the European Union.

Eurostat. (2023*). Sustainable Development in the European Union: Monitoring Report on Progress towards the SDGs in an EU context, 2021 edition,* Luxembourg: Publications Office of the European Union.

Eurostat. (2024*). Sustainable Development in the European Union: Monitoring Report on Progress towards the SDGs in an EU context, 2024 edition,* Luxembourg: Publications Office of the European Union.

FAO Data: https://www.fao.org/statistics/en

Friedman, Benjamin. (2005). *The Moral Consequences of Economic Growth*, New York: Vintage Books

Gallop. (2022). "Do we live better than our parents? And what about our children? https://www.gallup-international.com/survey-results-and-news/survey-result/do-we-live-better-than-our-parents-and-what-about-our-children/

Government of Ireland. (2022). *Understanding Life in Ireland: The Well-being Framework Second Report*. Dublin: Stationery Press.

Government of Ireland. (2023). *Understanding Life in Ireland: The Well-being Framework 2023*. Dublin: Stationery Press.

Government of Ireland. (2024). *Understanding Life in Ireland: The Well-being Framework 2024*. Dublin: Stationery Press.

Government of Ireland. (2025). *Programme for Government: Securing Ireland's Future*. Dublin: Government of Ireland.

Heilbroner, Robert L. (1973). "The Paradox of Progress: Decline and Decay in The Wealth of Nations" *Journal of the History of Ideas*, Vol. 34, No. 2 (Apr. - Jun.), pp. 243-262.

Heilbroner, Robert L. (1985). *The Nature and Logic of Capitalism*, New York: W.W. Norton.

Helliwell, J. F., Layard, R., Sachs, J. D., De Neve, J.-E., Aknin, L. B., & Wang, S. (Eds.). (2024). *World Happiness Report 2024*. University of Oxford: Wellbeing Research Centre.

Hines, James R. (2010). "Treasure Islands" *Journal of Economic Perspectives*, Vol. 24, Issue 4, pp. 103-125.

Holtbrügge, Dirk. (2022). *Intercultural Management: Concepts, Practice, Critical Reflection,* Los Angeles: SAGE.

International Monetary Fund. (2008). *System of National Accounts 2008*, Washington, D: IMF.

Keynes, John Maynard. (1920). *Economic Consequences of the Peace*, New York: Harcourt, Brace and Howe.

Keynes, John Maynard. (1930). "Economic Possibilities For Our Grandchildren," reprinted in *Essays in Persuasion*, New York: Harcourt Brace, 1963. pp. 358–373.

Keynes, John Maynard. (1964 [1936]). *The General Theory of Employment, Interest, and Money*, New York: Harcourt Brace Jovanovich.

Maddison Project Database, version 2020. Bolt, Jutta and Jan Luiten van Zanden (2020). "Maddison style estimates of the evolution of the world economy. A new 2020 update."

Mill, John Stuart. (1965). *Principles of Political Economy, Collected Works of John Stuart Mill*, Volumes 2 and 3, Toronto: University of Toronto Press.

Myrdal, Gunnar. (1958). *Value in Social Theory: A Selection of Essays on Methodology*, edited by Paul Streeten, New York: Harper & Brothers.

NESC. (2021). *Ireland's Well-being Framework: Consultation Report*. Dublin: National Economic and Social Council.

Nisbet, Robert. (2017 [1980]). *History of the Idea of Progress*, New York: Routledge.

Ocean Health Index. Available at http://www.oceanhealthindex.org/

OECD Data: https://data.oecd.org/

OECD (2018), *Measuring Distance to the SDG Targets 2017: An Assessment of Where OECD Countries Stand, OECD Publishing, Paris,* https://doi.org/10.1787/9789264308183-en.

Okun, Arthur. (1975). *Equality and Efficiency: The Big Tradeoff,* Washington, D.C.: Brookings.

Ravallion, Martin. (2016). *The Economics of Poverty*, Oxford: Oxford University Press.

Reporters Sans Frontières Data; https://rsf.org/en/ranking

Sachs, J. S. et al (2016), *SDG Index and Dashboards Global Report,* New York: Bertelsmann Stiftung and Sustainable Development Solutions Network (SDSN).

Sachs, J., Lafortune, G., Kroll, C., Fuller, G., Woelm, F. (2022). *From Crisis to Sustainable Development: the SDGs as Roadmap to 2030 and Beyond. Sustainable Development Report 2022*. Cambridge: Cambridge University Press.

Sachs, J.D., Lafortune, G., Fuller, G., Drumm, E. (2023). *Implementing the SDG Stimulus. Sustainable Development Report 2023.* Paris: SDSN, Dublin: Dublin University Press, 2023. 10.25546/102924

Sachs, J.D., Lafortune, G., Fuller, G. (2024*). The SDGs and the UN Summit of the Future. Sustainable Development Report 2024*. Paris: SDSN, Dublin: Dublin University Press. doi:10.25546/108572

Smith, Adam. (1978a [1759]). *The Theory of Moral Sentiments*, Oxford: Oxford University Press.

Smith, Adam. (1976b [1776]). *An Enquiry into the Nature and Causes of the Wealth of Nations*, Oxford: Oxford University Press.

Smith, Adam. (1978). *Lectures on Jurisprudence*, Oxford: Oxford University Press.

Stark, Werner. (1944). *The History of Economics in its Relation to Social Development*, London: Kegan Paul, Trench, Trubner & Co., Ltd.

Stark, Werner. (1976). *The Social Bond: An investigation into the Bases of Law-abidingness*, New York: Fordham University Press.

Stark, Werner. (1994). *History and Historians of Political Economy*, edited by Chares M. A. Clark, New Brunswick: Transactions Press.

Stigler, George. (1976). "The Success and Failures of Professor Smith" *Journal of Political Economy*, Vol. 84. (6), pp. 1199-1213.

Stiglitz, Joseph E.; Sen, Amartya; and Fitoussi, Jean-Paul. (2009). *Report by the Commission on the Measurement of Economic Performance and Social Progress. www.stiglitz-sen-fitoussi.fr*

United Nations. (2008). *System of National Accounts 2008*. Washington, D.C.: World Bank Group.

United Nations (2024). *The Sustainable Development Development Goals Report 2024.* https://unstats.un.org/sdgs/report/2024/

UN Data: https://unstats.un.org/sdgs/dataportal

Veblen, Thorstein. (1899). *The Theory of the Leisure Class*, New York: Macmillan.

WHO Data: https://www.who.int/data

Wilkinson, Richard and Pickett, Kate. (2010). *The Spirit Level: Why Greater Equality Makes Societies Stronger*, New York: Bloomsbury Press.

World Bank (2024). Data accessed at https://data.worldbank.org/

8

Appendices

Appendix A: List of Indicators Used in the Construction of the Sustainable Progress Index 2025

Table A.1 List of Indicators Used in the SDGs

SDG	Indicator	Source
1	Poverty rate after taxes and transfers; poverty line 50% (% of population)	OECD
1	People living in households with low work intensity	Eurostat
1	Share of severely deprived people	Eurostat
1	Housing Overburden Rate (40% of income)	Eurostat
2	Prevalence of obesity, BMI>30 (% of adult population)	Eurostat
2	Cereal yield (kg/ha)	World Bank
2	Ammonia emissions from agriculture	Eurostat (from EEA)
2	Pesticide exports hazardous to human health	FAO, Sachs et al (2024)
2	Area under organic farming (% of UAA)	Eurostat
2	Sustainable Nitrogen Management Index	Sachs et al (2024)
3	Life expectancy at birth, total, years	Eurostat
3	Adolescent fertility rate (births per 1000, age15-19)	WHO, Sachs et al (2024)
3	Subjective wellbeing (average ladder score)	Gallup (2023)
3	Smoking prevalence (%, aged 15+)	Eurostat
3	Self-reported unmet health needs (% of population)	Eurostat
3	Deaths from NCDs (per 100,000)	WHO, Sachs et al (2024)
3	Suicide Rate	OECD
3	Perceived Health (% of population)	Eurostat
3	Universal Health Coverage Index	WHO
4	Tertiary education (% of population, age 30-34)	Eurostat
4	PISA Score	OECD
4	Share of population with basic digital skills	Eurostat
4	Adult participation in learning (%)	Eurostat
4	Early leavers from education and training	Eurostat

SDG	Indicator	Source
4	Early childhood education coverage	Eurostat
5	Proportion of seats held by women in national parliaments (%)	Eurostat
5	Proportion of women in senior management positions (%)	Eurostat
5	Gender employment gap	Eurostat
5	Gender pay gap in unadjusted form (% of male hourly wages)	Eurostat
5	Ratio of female years of education to male mean years (% of males), population aged 25 and above	UNDP
5	Ratio of female to male labour force participation rate	World Bank
6	Population using safely managed water services	World Bank
6	Population using safety managed sanitation services	World Bank
6	Water exploitation index	Eurostat
6	Anthropogenic wastewater that receives treatment (%)	EPI, Sachs et al (2024)
7	Share of renewable energy in consumption (%)	Eurostat
7	CO2 from fuels and electricity	IEA, Sachs et al (2024)
7	Population unable to keep adequately warm (%)	Eurostat
7	Final energy consumption per capita in households	Eurostat
8	Real GDP per capita	Eurostat
8	Long-term unemployment rate (%)	Eurostat
8	Low Pay (%)	Eurostat
8	NEET rate (youths not in employment education or training (%)	Eurostat
8	Employment rate	Eurostat
8	Fatal accidents at work (per 100,00 workers)	Eurostat
9	Population using the internet (%)	Eurostat
9	R&D expenditure, % of GDP	Eurostat
9	Patents filed to the EU (% of million inhabitants)	Eurostat
9	Number of R&D researchers (% of active population)	Eurostat
9	Logistics Performance Index: Quality of trade and transport-related infrastructure (worst 1-5 best)	World Bank
9	High speed internet coverage	ITU, Sachs et al (2024)
10	GINI index	OECD
10	Household debt, % NDI	OECD
10	Palma Index	OECD
11	Premature deaths from pollution 2.5PM	Eurostat
11	Population with convenient access to public transport (%)	UN
11	Housing deprivation (%)	Eurostat
11	Road fatalities	Eurostat

SDG	Indicator	Source
12	Municipal waste generated per capita	OECD
12	Raw material consumption per capita	Eurostat
12	Recycling rate of waste, excluding major mineral waste (% of total waste recycled)	Eurostat
12	Circular material use rate (%)	Eurostat
12	E-waste (kg per capita)	ITU, Sachs et al (2024)
13	GHG emissions per capita	Eurostat
13	Carbon Pricing Score from non-road energy, excluding emissions from biomass	OECD
14	Mean area that is protected in marine sites important to biodiversity (%)	Birdlife International et al. (2023); UN
14	Ocean Health Index	Ocean Health Index 2023; Sachs (2024)
14	Bathing sites of excellent quality (coastal and inland)	Eurostat
15	Protected terrestrial sites	Eurostat
15	Percentage of land covered by forestry	Eurostat
15	Soil Sealing Index	Eurostat
15	Red List Index	Bird Life International (2023); UN
15	Mean area that is protected in freshwater sites important to diversity (%)	Bird Life International (2023); UN
16	Corruption Perception Index	Transparency International (2024)
16	Homicides per 100,000 population	Eurostat
16	Population reporting occurrence of crime, violence or vandalism in their area (%)	Eurostat
16	Perceived independence of the justice system (%)	Eurostat
16	Prisoners (% of population)	UNOCD (2023), Sachs et al (2024)
16	Human Trafficking	Eurostat
16	Press Freedom Index	Reporters sans frontières, Sachs et al (2024)
16	Unsentenced detainees (% of prison population)	UNODC (2023), Sachs et al (2024)
17	Overseas Development Assistance (% of GNI)	Eurostat
17	Environmental taxes as % of tax revenue	Eurostat
17	Government spending on health and education (% of GDP)	UNESCO (2023); Sachs et al (2023)

SOCIAL JUSTICE IRELAND

working to build a just society

Social Justice Ireland
1-3 Burton Hall Road
Sandyford
Dublin D18 A094

www.socialjustice.ie

Tel: 01- 2903597

email: secretary@socialjustice.ie

€15