

Measuring Development, Advancing Equity Workshop Report



April 2026

Background and Motivation

In May 2025, the United Nations established the High-Level Expert Group on Beyond GDP (Gross Domestic Product), reflecting growing concern that GDP alone does not adequately capture wellbeing, inequality, sustainability, or other central dimensions of human development. While income can help people secure basic goods, it is only instrumentally valuable. Once basic needs are met, additional income does not inherently improve people's lives.

Even as an economic indicator, GDP is limited. It excludes large portions of economic activity, including unpaid care work, household production, and informal work. This is especially important in low-income countries, where the informal economy often accounts for a large share of total employment and economic survival. Many people earn livelihoods, exchange goods and services, and support households through informal work that is not fully captured in official national accounts. As a result, GDP can understate the economic activity that actually sustains people's lives, especially in contexts where formal employment is limited (International Labour Organization 2023b).

GDP is also insensitive to distribution: it can increase while a majority of people remain poor if gains are concentrated among a small group. In addition, GDP does not capture non-market goods such as care, leisure, and social relationships, and it may rise through activities that undermine wellbeing, including environmental degradation. In essence, GDP tracks the production of goods and services rather than evaluating whether people's basic needs are met, whether they live in peace, or whether they are included as equal members of society. As emphasized in the UN Beyond GDP work, wellbeing depends on meeting basic needs, ensuring inclusion, and sustaining conditions for future generations. These are precisely the conditions that GDP omits.

This workshop brought together leading scholars and practitioners to discuss how human development should be measured, what practitioners need from metrics, the Beyond GDP agenda, and new human-oriented measures of development.

Invited speakers included Pedro Conceicao, Director of the Human Development Report Office at the United Nations Development Program; Ray Offenheiser, Senior Advisor to the Dean and Director of the McKenna Center for Human Development and Global Business at the University of Notre Dame, and former Director of Oxfam North America; Kaushik Basu, Carl Marks Professor of International Studies at Cornell University, and former Chief Economist of the World Bank, and Chief Economic Advisor, Nicole Hassoun, Professor of International Studies at Indiana University and executive director and founder of the Global Health Impact organization.

Executive Summary

The workshop asked a simple but consequential question: what changes when societies stop treating Gross Domestic Product (GDP) as the main shorthand for development? The take-home lesson was not merely that GDP is incomplete. It was that metrics shape the questions policymakers ask, the populations they see, and the futures they make politically imaginable. Speakers converged on the view that development measurement must move beyond income, beyond national averages, and beyond present-day production. Pedro Conceicao, Director of the Human Development Report Office at the United Nations Development Programme (UNDP), emphasized that human development measures should incorporate well-being, agency, inequality, and sustainability. Ray Offenheiser, Senior Advisor to the Dean and Director of the McKenna Center for Human Development and Global Business at the University of Notre Dame, stressed that practitioners need metrics that illuminate governance, institutions, resilience, and lived experience, not tools that merely "admire the problem." Kaushik Basu, Carl Marks Professor of International Studies at Cornell University and former Chief Economist of the World Bank, argued that GDP embeds assumptions about what societies are trying to maximize while leaving distribution, quality of life, and democratic conditions underexamined.

The strongest cross-panel lesson was that better metrics require better justification. Nicole Hassoun, Professor of International Studies at Indiana University and executive director and founder of the Global Health Impact organization, argued that inequalities affecting those who cannot live minimally good lives deserve special moral attention. Participants repeatedly returned to questions of weighting, thresholds, and "equality of what": income, health, rights, institutional access, security, environmental conditions, or broader welfare and flourishing.

Several practical tensions followed. Simple indicators are visible and politically powerful, but they can conceal the dimensions that matter most. Dashboards are more comprehensive, but they can be too diffuse to guide action. National measures enable comparison, but they often hide subnational deprivation and the experiences of communities on the periphery. New tools, including machine learning and satellite imagery, may improve local measurement, but they cannot substitute for normative judgment about what counts as progress.

The workshop focused on better data and better purposes for measurement. Future measures should help identify who is excluded, why they are excluded, what enabling conditions are missing, and how policy can support minimally good lives. Development metrics should make visible welfare, dignity, agency, relationships, security, institutional capacity, sustainability, and the distribution of power. Above all, they should help policymakers and practitioners improve lives rather than mistake measurement for progress.

“GDP has become a rallying point—but that game needs to be changed.”

Kaushik Basu

Panel Summaries

Panel 1: Measuring Human Development

- **Jessica Steinberg (Chair)**- Associate Professor in the Department of International Studies, Department Chair
- **Pedro Conceição** - Director of the Human Development Report Office, UNDP
- **Hussein Banai (Commentator)**- Associate Professor of International Studies at the Hamilton Lugar School of Global and International Studies and Research Affiliate at the Center for International Studies at the Massachusetts Institute of Technology

**“Using a different metric can have very different effects on poverty.”
Pedro Conceição**

The panel began with Professor Steinberg asking what it means to measure development and whether GDP can capture “what it is like to be born in a different place.” She framed the discussion around the need for a more holistic concept of development grounded in capabilities, raising key questions about who measurement is for, what existing metrics leave out, the role of rights, and the importance of scale. In particular, she emphasized the limits of national aggregates and the need for more subnational analysis.

Pedro Conceição then emphasized that human development is an open-ended journey linking concepts with metrics. A defining feature of the Human Development Report approach, he argued, is the tight connection between theory and measurement, rooted in Sen’s capability framework. He outlined three key directions for going beyond GDP:

1. **Beyond Income:** incorporating wellbeing achievements such as health, education, longevity, and agency
2. **Beyond Averages:** capturing inequalities across people and groups
3. **Beyond Today:** incorporating sustainability, assets, and intergenerational wellbeing

The Human Development Index was presented as a practical compromise between simplicity and conceptual depth. It captures three dimensions: health, education, and standard of living, relying on proxies such as life expectancy and years of schooling. The discussion highlighted that the validity of such measures lies partly in their political usefulness. The Multidimensional Poverty Index is a good indication of how changing metrics changes policy. A pure income-based approach would suggest that giving people money eliminates poverty, but in practice, households may still lack access to many things they need e.g., schools, electricity, or clean water. This reframes poverty as a multidimensional issue requiring coordination across sectors such as health and education.

Key Points Discussed:

1. Data limitations constrain what can be measured, specifically in low capacity countries
2. Aggregation can obscure inequalities but can be partially addressed through disaggregation
3. Agency and wellbeing are distinct; groups may perform well on outcomes while remaining marginalized (e.g. Roma populations, women)
4. Social norms play a major role, evidenced by the fact that 90% of the global population holds some gender bias

New tools, such as machine learning and satellite imagery, make hyper-local measurement increasingly possible. Climate-focused metrics also show that hazards are often local rather than national, reinforcing the need for more geographically specific measures of development. However, participants questioned whether these approaches adequately capture uncertainty, political constraints, and the institutional conditions that shape development outcomes.

A key critique raised by Professor Banai was whether the HDI (Human Development Index) is too clinical and whether political issues, which are often central obstacles to development, can be captured through an index at all. He questioned how the HDI could move from a diagnostic tool to one that meaningfully addresses political barriers to development and polarization, noting that public health and political conditions are often more important than the narrow indicators included in the measure. Nicole Hassoun also questioned the use of proxies, asking why better measures such as HALE or DALYs were not used and raising the broader issue that different proxies can point in different directions.

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This connected to discussion about how weights are chosen and justified, since the choice of indicators shapes what counts as development and which problems become visible. Other participants raised concerns about aggregation and visibility, arguing that national averages can obscure inequalities within countries and that the HDI remains largely confined to expert, institutional, and financial circles rather than broader public discussion. The panel also discussed the challenge of moving from diagnosis to policy, especially when political constraints and institutional incentives limit how metrics are used.



Panel 2: What Development Practice Needs from Metrics

- **Hussein Banai (Chair)** - Associate Professor of International Studies at the Hamilton Lugar School of Global and International Studies
- **Ray Offenheiser** - Senior Advisor to the Dean; Director, McKenna Center for Human Development and Global Business at Notre Dame University and former Director of Oxfam North America
- **Sarah Bauerle Danzman (Commentator)** Associate Professor at the Hamilton Lugar School of Global and International Studies, Director of the Tobias Center for Innovation in International Development, non-resident senior fellow at the Atlantic Council, and a term member of the Council on Foreign Relations

**“Where you sit determines what you see—and therefore what you think matters.”
Ray Offenheiser**

Mr. Offenheiser argued that while GDP and the Human Development Index (HDI) have helped shape international discussions of development, they remain limited for practitioners working on the ground. Metrics are approximations rather than truths, and what matters is not always measurable. He emphasized that the usefulness of metrics depends on perspective: global actors tend to focus on growth, national actors on governance and implementation, and local practitioners on lived realities such as scarcity, insecurity, and whether programs actually function.

A central concern was that aggregate measures often obscure conditions on the periphery. This point became one of the workshop’s clearest practitioner-oriented insights: development metrics should not only describe national progress from the center, but also make visible the experiences of people and communities on the margins. Offenheiser’s phrase “the periphery is the center” captured the idea that development should be measured from the standpoint of those most affected by deprivation, insecurity, and institutional failure.

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Building on this critique, Offenheiser outlined several possible directions for the evolution of development metrics. These included measures of sustainable livelihoods that combine wellbeing with climate risk and resilience; measures of institutional density and capacity that assess whether the enabling conditions for opportunity and resilience are actually in place; and measures of structural marginalization that identify who is excluded, why they are excluded, and which political or social barriers perpetuate that exclusion. He also discussed the possibility of metrics focused on capabilities, dignity, and flourishing, which would move beyond income toward questions of agency, ownership, and how people understand their own lives.

The discussion also addressed future challenges, including geopolitical instability, climate change, inequality, migration, and AI disruption. Participants questioned whether increasingly complex metrics improve decision-making or simply “admire the problem.” This concern was reinforced by the “lamplight” analogy raised by Professor Bauerle Danzman: designing policy only around what is easiest to measure risks looking for the keys where the light is strongest rather than where the problem actually lies. The point was not that measurement is unimportant, but that metrics should be guided by substantive judgments about what matters for people’s lives, rather than by data convenience alone. Goodhart’s Law was also raised repeatedly: when metrics become targets, they cease to be good metrics because actors respond strategically to incentives.

Overall, Offenheiser emphasized that development metrics should help practitioners make better decisions, understand trade-offs, and focus attention on the conditions shaping people’s lived experiences rather than only on aggregate outcomes.



Panel 3: Measuring Development Beyond GDP

- **Robert Becker (Chair)** - Emeritus Professor of Economics at Indiana University
- **Kaushik Basu** - Carl Marks Professor of International Studies Cornell University and former Chief Economist of the World Bank and Chief Economic Adviser to the Government of India
- **Stephen Macekura (Commentator)** - Professor of International Studies at Indiana University

“What are we going to maximize in the game of life?... We take the payoff function for granted—but we need to give it more thought.”

Kaushik Basu

This panel examined the practical and analytical problems with GDP as a measure of development and wellbeing. The discussion focused on how GDP shapes political priorities, what kinds of activities and inequalities it leaves out, and whether new measures are needed to better capture wellbeing, sustainability, and democratic concerns. Stephan Macekura connected these debates to earlier critiques of GDP and the history of human development thinking, while audience discussion explored whether GDP should be adjusted to account for distributional inequality, environmental sustainability, and spillover effects between countries in an increasingly interconnected global economy.

Professor Basu began with the claim that today’s world is at a turning point, similar to the Industrial Revolution. While that period ultimately made societies better off, its early decades were difficult and required new policies, including income taxes and labor laws, which were controversial at the time but are now widely accepted. The implication is that we may need similarly bold changes in how we measure development today.

Professor Basu emphasized that GDP is a relatively recent construct that reflects assumptions about what societies are trying to maximize. We often treat this “payoff function” as given, even though it shapes the entire economic system. His jogging example illustrated this point: if jogging for ten minutes increases life expectancy by eight minutes, whether jogging is considered “worth it” depends entirely on what is being maximized. If the objective is maximizing total lifespan, jogging is beneficial. If the objective is maximizing enjoyable or “non-jogging” time, then the calculation changes. The big idea was that economic measures such as GDP implicitly embed assumptions about what counts as progress and well-being, even though these goals are rarely questioned directly.

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GDP also fails to account for inequality. Growth can increase while benefits accrue mainly to the super-rich, and inequality today is increasingly about more than income. It also involves power, control over media, influence, and voice, all of which can threaten democratic systems. The gap between the top 1% and the rest of society was highlighted as especially important.

A further critique of GDP is that it treats all expenditures equally. Two countries can have the same GDP even if one spends heavily on consumption goods while the other spends on defensive measures such as security. This suggests that GDP does not distinguish between activities that directly generate wellbeing and those that respond to insecurity or institutional failure. The discussion, therefore, raises a broader question about whether measures of progress should better capture the social and institutional conditions, such as security, stability, and functioning institutions, that make wellbeing possible in the first place.

Proposed solutions included correcting GDP for inequality, incorporating sustainability, and accounting for cross-country spillover effects. Professor Macekura stressed that the issue is not a lack of metrics, but the difficulty of translating them into policy. Professor Basu argues that metrics only matter when they are visible, simple enough to act on, and tied to incentives. Discussion also raised concerns about nationalism and global interdependence. Stephen Macekura questioned whether nation-state metrics remain adequate in an interconnected world, while Basu argued that increasing globalization makes narrow national frameworks more dangerous and less useful. Audience questions focused on media capture, capital flight, and the difficulty of taxing wealth in a global economy. Basu emphasized that international cooperation is necessary and that metrics can only influence policy when major countries and institutions support them.



Panel 4: New Metrics for Human Development

“We need to justify what we focus on and how we measure what matters.”
Nicole Hassoun

Nicole Hassoun argued that there is something ethically wrong about vast inequalities, particularly when those at the top of the income distribution secure a large share of total income. At the same time, she emphasized that inequalities in the middle of the distribution should not simply be ignored. Drawing on prioritarian and sufficientarian approaches, she discussed a proposed inequality index that gives greater weight to inequalities affecting those who are less well off, especially those below a global poverty line used as a sufficiency threshold. The proposal aims to capture both the importance of ensuring that people reach a minimally acceptable level of well-being and the idea that inequalities affecting the worse off matter more than inequalities affecting those who are already relatively well off.

This panel focused on how we measure inequality and what existing indices fail to capture. The discussion began with the idea that inequality is both a number and a shape. Standard measures like the Gini capture overall inequality, but they are not sensitive to where inequality occurs in the distribution. This raises the question of whether all inequalities of the same size are equally bad.

There was a focus on different approaches to inequality measurement, including Lorenz curves and Pareto distributions, which show how income is distributed across populations. However, many existing measures treat individuals symmetrically and do not give additional priority or weight to those at the lower end of the distribution, especially below the poverty line. This creates a problem if we think inequalities affecting the worst-off below this sufficiency threshold matter more.

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At the same time, there was significant discussion about how to justify and operationalize thresholds. Pedro Conceição argued that thresholds can create perverse incentives, particularly when policymakers focus narrowly on moving people just above a poverty line rather than improving overall welfare conditions. He also raised concerns that threshold-based policies can stigmatize those below the cutoff and may treat individuals with very similar levels of well-being quite differently.

Participants also raised the question of “equality of what,” noting that inequality exists across multiple dimensions, including income, institutional quality, rights, and environment. This complicates attempts to construct a single measure and raises further questions about how welfare itself should be measured and compared across individuals and contexts. At the same time, the discussion suggested that future metrics should move beyond narrow income-based measures toward broader conceptions of welfare, relationships, security, and human flourishing. Different metrics may still serve different purposes, whether diagnosing inequality, evaluating well-being, or guiding policy decisions.

In response, Hassoun emphasized that her proposal is grounded in welfare rather than income alone. The point of the metric is not simply to move people above a line, but to give greater weight to helping those who are further below a minimally good life threshold. She also stressed that this does not imply ignoring those above the threshold, but rather recognizing that inequalities affecting those who cannot live minimally good lives have special moral importance. Overall, the panel emphasized the need to better justify how inequalities are weighted and to ensure that metrics reflect what actually matters for human wellbeing without creating unintended policy distortions. panel focused on how we measure inequality and what existing indices fail to capture.

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Panel 5: Concluding Discussion

“What and why we are measuring is important—we must consider what matters today and what matters over time.”

Nicole Hassoun

The concluding panel focused on the broader implications of the Beyond GDP agenda in a moment of rapid technological and social change. Participants emphasized that we are in a new period marked by instability, demographic shifts, and uneven global development. Aging populations in some regions contrast sharply with very young populations elsewhere, raising questions about whether current metrics are still appropriate for capturing the challenges societies now face.

A central question was whether this is truly a “Beyond GDP moment” and where policy is actually headed. Participants debated the role of dashboards versus single indicators. While dashboards provide more information, they may not encourage change if they are too broad or difficult to act on. In contrast, a smaller number of salient measures may motivate policymakers more effectively. At the same time, others argued that this is a false dichotomy and that both approaches may be necessary, since single indices such as the HDI often fail to capture important dimensions, including inequality.

Another key theme was the role of norms. Participants suggested that we often underestimate the power of norms in shaping behavior. Social systems do not rely only on enforcement; they also depend on shared expectations. If norms fail to adjust, societies may not respond effectively to crises. This point connects to questions about formal and informal rules and how they influence development outcomes.

Participants also emphasized the importance of deciding what we measure and why. There was concern that, without a careful account of what matters, metrics may rely on inappropriate proxies or fail to capture long-term priorities. This raised a wider tension between what matters today and what matters over time, especially in relation to sustainability and intergenerational outcomes.

The discussion also addressed the need to incorporate local values and perspectives. While some metrics aim to be universal, participants recognized that communities may prioritize different goals and that development should not be reduced to jobs or income alone. There was also a call to democratize decision-making by involving local actors in defining what success looks like.

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Finally, the panels emphasized that development is not only a technical problem but also a normative and political one. Questions about what to measure, how to weight inequalities, and what constitutes progress reflect deeper debates about values and priorities. Addressing these challenges may require not only better metrics but also widespread changes in institutions, norms, and global cooperation.

Finally, the panel turned to the difficulty of measuring concepts such as dignity and happiness. Although these are central to human development, they are among the hardest to quantify. Participants noted that measures of happiness can be misleading because of adaptive preferences, as individuals may adjust their expectations in response to social norms or constrained circumstances. This highlights the limits of quantitative metrics and the need to complement them with qualitative understanding and more objective welfare-based measures that better capture human flourishing beyond income alone.



Key Themes and Takeaways

A central theme across all panels was that metrics shape how we understand development and what policies we pursue. Changing metrics, whether from GDP to HDI or from income poverty to MPI (Multidimensional Poverty Index), fundamentally changes how problems are defined and addressed. This raises the question not only of how to measure development, but also of what we are trying to measure in the first place.

The panels repeatedly highlighted the importance of going beyond income.

Development must include wellbeing achievements, agency, inequality, and sustainability. At the same time, participants emphasized the tradeoff between simplicity and multidimensionality. More complex measures may capture reality better, but they can also be harder to use and less likely to influence policy.

There was also a strong emphasis on inequality, particularly the importance of distribution and the growing role of power. Inequality is not only about income, but also about voice, influence, and access to opportunities. Several discussions emphasized the gap between the top 1% and the rest of society, as well as the importance of considering thresholds and weighting different parts of the distribution.

The role of context also emerged as critical. Metrics designed at the global level may not reflect local realities, and the idea that “the periphery is the center” suggests that development should be understood from the perspective of those most affected. This includes recognizing enabling conditions such as governance, institutions, and social norms, which help determine whether policies succeed or fail.

Another key theme was the limits of measurement. Many important aspects of development, such as dignity, happiness, and agency, are difficult to quantify. Focusing too heavily on what is measurable risks neglecting what matters most. This connects to concerns about Goodhart’s Law and the possibility that metrics, once turned into targets, may distort behavior.

Finally, the panels emphasized that development is not only a technical problem but also a normative and political one. Questions about what to measure, how to weight inequalities, and what constitutes progress reflect deeper debates about values and priorities. Addressing these challenges may require not only better metrics but also widespread changes in institutions, norms, and global cooperation.

Implications for Future Work

Future work should not be framed as a choice between creating new indicators and improving existing ones. Instead, the workshop points to the need for indicators - whether adapted from existing measures or newly developed - that are conceptually clear, politically visible, and directly linked to policy decisions.

These discussions can also help set the stage for a future metric focused on the conditions required for a minimally good life. Such a framework might include material sufficiency, health, education, security, institutional capacity, social inclusion, agency, dignity, and sustainability. Security is especially important because people cannot fully exercise agency, participate in community life, or pursue long-term opportunities when they face violence, instability, coercion, or the absence of reliable institutions.

However, future work must carefully balance multidimensionality with usability. Overly complex dashboards risk being ignored, while overly simple measures risk missing key aspects of development. One area for further exploration is how to combine dashboard approaches with a limited number of headline indicators that can guide policy attention.

Another important direction is improving measurement at more granular levels. Several panels emphasized the limitations of national averages and the importance of subnational and even local data. Advances in machine learning, satellite imagery, and other technologies create opportunities to generate more detailed and context-sensitive measures. Future work should focus on how to incorporate these tools in ways that are reliable, interpretable, and relevant for policymakers.

Inequality measurement also requires further development, particularly in terms of weighting and thresholds. There is a need to better justify how different parts of the distribution are valued and to address concerns about unintended consequences, such as neglecting those just above a defined threshold. Expanding inequality measures beyond income to include dimensions such as power, institutional access, and social exclusion is another key area for research.

Future work must address the political and normative dimensions of measurement. Questions about what to measure and why are inherently tied to values, and metrics will only be effective if they are accepted and used by policymakers and other stakeholders.

Implications for Future Work

This includes engaging with issues such as global coordination, incentive design, and the role of norms. In particular, addressing challenges such as inequality, climate change, and global interdependence will likely require greater international cooperation and a shift toward more globally oriented frameworks of measurement.

Ultimately, improving development measurement requires not only better data, but also a clearer understanding of what constitutes a minimally good life and how societies can ensure it for all.



Conclusion

The workshop highlighted broad agreement that GDP alone is insufficient for understanding human development. While GDP remains politically powerful because it is simple, visible, and tied to incentives, participants repeatedly emphasized that it does not adequately capture wellbeing, inequality, agency, sustainability, or the conditions that make flourishing possible. Across panels, speakers argued that development metrics shape how problems are understood, which populations become visible, and what kinds of policies are pursued.

Participants emphasized that aggregate measures often obscure inequalities within countries and fail to capture the lived realities of those on the periphery. This raised broad questions about scale, disaggregation, and the need for metrics that better reflect local conditions, structural marginalization, and institutional constraints.

The discussions also revealed important tensions in efforts to develop new metrics. Participants debated the relationship between simplicity and complexity, the risks of creating perverse incentives through thresholds, and the challenge of balancing universal measures with context-specific understandings of wellbeing. Several speakers emphasized that development is not reducible to income alone and that future measures should focus more directly on welfare, dignity, agency, relationships, and the conditions required for minimally good lives.

At the same time, the workshop repeatedly returned to the limits of measurement itself. Many of the most important dimensions of human flourishing, such as dignity, happiness, solidarity, and social belonging, are difficult to quantify. Participants stressed that metrics should support better judgment and better policy, rather than replacing political or ethical reflection.



