

Green GDP, Yes or No?

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policymakers should obviously choose both. Unfortunately, they're often not equipped to make that kind of general, forward-looking decision because they lack the economic tools to do so; they lack an indicator that incorporates economic robustness and environmental health into a single metric. Such an indicator, if it existed, might be called the Green GDP. (*Garrett C. Groves and Michael E. Webber, 2010*)

But in order to measure the Green GDP, it would require a transitioning away from the current national income accounting system, where the price of final products and services is simply totaled, to a system where natural capital and resource reductions are depreciated from their assets, and pollution costs are negatively valued. (*Garrett C. Groves and Michael E. Webber, 2010*)

However, this is not as simple as it seems, because introducing green accounting measures to GDP create the challenge of dividing the natural environment into quantifiable units and giving each a market value. (*Garrett C. Groves and Michael E. Webber, 2010*)

The fact is that no one knows how much Mother Nature is worth. We cannot describe the value of the trees in a specific area or the value of the water that runs through the mountains. And if someone actually comes up with a theory for it, will we be able to rely on the assumptions of this person? It will simply rely on trust upon the person who stated that he thinks it is the value. It is a lifelong process of conducting the information about the value of any sort of nature. This all could lead to confusion, and it makes it unreliable,