

Growing more than GDP

Standard measures of economic growth ignore a rapid depletion of natural resources that will seriously harm future generations, according to a new report by the United Nations Environment Programme.



Trees and bamboo growing in Japan.

Inclusive Wealth Report 2012 unveils a new indicator—the Inclusive Wealth Index—that looks beyond the traditional yardsticks of GDP and the Human Development Index to include a full range of assets, such as manufactured, human, and natural capital. This index shows governments the true state of their nation's wealth and the sustainability of its growth, according to the report.

The report looks at changes in inclusive wealth in 20 countries—which together account for almost three-quarters of global GDP—from 1990 to 2008. Over that period, natural resources per capita declined by 33 percent in South Africa, 25 percent in Brazil, 20 percent in the United States, and 17 percent in China. Only Japan did not see a fall in natural capital, due to an increase in forest cover.

Measured by GDP, the economies in China, the United States, Brazil, and South Africa grew by 422 percent, 37 percent, 31 percent, and 24 percent respectively between 1990 and 2008.

However, when their performance is assessed by the new index, the Chinese and Brazilian economies increased by only 45 percent and 18 percent. The U.S. economy grew just 13 percent, while South Africa's actually decreased by 1 percent.

Dementia cases set to triple

Worldwide, nearly 35.6 million people live with dementia. This number is expected to double by 2030 to 65.7 million and more than triple by 2050 to 115.4 million according to a new report by the World Health Organization. Dementia affects people in all countries, with more than half (58 percent) living in low- and middle-income countries. By 2050, this is likely to rise to more than 70 percent, predicts *Dementia: A Public Health Priority*.

Treating and caring for people with dementia currently costs the world more than \$604 billion a year. This includes the cost of providing health and social care as well the reduction or loss of income of people with dementia and their caregivers.

Only eight countries worldwide currently have national programs in place to address dementia.

Plugging leaks

Millions of people in Asia and the Pacific could have access to clean water if leaks were plugged and water utility reforms adopted, says a new study by the Asian Development Bank (ADB).

“While Asia and the Pacific is increasingly facing a major water crisis, we see unacceptable levels of water being lost through leaks and inefficiencies,” said Bindu Lohani, the ADB's Vice President for Knowledge Management and Sustainable Development. “By cutting the amount of lost water in half, 150 million people could be supplied with treated water.”



The ADB estimates that 29 billion cubic meters of water—enough to fill more than 11 million Olympic-sized swimming pools—is lost each year in the region, causing Asia's water utilities to lose more than \$9 billion in revenue each year.

Events in 2012

September 1–7, Naples, Italy

United Nations World Urban Forum

September 8–9, Vladivostok, Russia

Asia-Pacific Economic Cooperation Summit

October 9–14, Tokyo, Japan

Annual Meetings of the IMF and the World Bank

October 16–19, New Delhi, India

OECD World Forum on Statistics, Knowledge, and Policies

November 8–9, Washington, D.C.

IMF Thirteenth Annual Jacques Polak Research Conference

November 12–14, Dubai, United Arab Emirates

World Economic Forum Summit on the Global Agenda 2012

eHealth revolution

A revolution in ehealth—health care practice supported by electronic communication—is taking place in Africa, thanks in large part to the high growth in mobile phone usage there. At 281 million users, Africa is the fastest-growing mobile phone market in the world. Internet use on the continent is still comparatively low, but is set to grow fast.

The growth of ehealth in Africa is cultivating the power of voice, accountability, and good governance in the African health sector, says the African Development Bank. In northern Ghana, for example, the Mobile Midwife Project has been providing women with health information during their pregnancy and encouraging women to seek antenatal care via text or voice messages. The ease of access to this vital information allows women to take control of their own health.

eHealth has become an integral part of the health sector in Africa. Kenya, the birthplace of the revolutionary mobile phone banking system M-PESA, became the first country to develop a national ehealth strategy in 2011.



Ndebele woman with child on mobile phone.

Supporting sustainable transportation



Teenagers on subway in Medellin, Colombia.

The Inter-American Development Bank—together with the Asian Development Bank, the World Bank, the African Development Bank, and four other organizations—has declared a strong commitment to sustainable transportation. The eight multilateral development banks pledged in June that they will invest \$175 billion to finance more sustainable transportation systems over the next decade, promoting inclusive economic development while also protecting the environment.

Congestion, air pollution, road accidents, and managing the effects of climate change on public transport systems can cost 5 percent to 10 percent of GDP a year. The transportation sector is the fastest growing source of greenhouse gases as a result of decades of urban planning that focused on improving mobility for automobiles at the expense of public transport users, cyclists, and pedestrians. This approach has made life much more difficult for people in cities, especially the urban poor, says the Inter-American Development Bank.

Dismal science?



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