

Abstract

Nowadays when measuring economic development, the main focus is on gross domestic product, which is a measure of market activity. Genuine progress indicator is an alternative measure of economic development, which shifts focus to well-being, environment and sustainability. The main goal of this study is to construct genuine progress indicator for the Czech Republic.

In the first part I point out weaknesses of current measurement of economic progress. Then I address other indicators proposed as an alternative measure of economic development. After that I discuss genuine progress indicator in detail and explain its calculation for the Czech Republic. In the last part I discuss results of my computations and compare it with gross domestic product and with foreign calculations of genuine progress indicator.

Keywords Genuine progress indicator, measure of well-being, economic development, alternative economic indicator, gross domestic product

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