

ANNOUNCEMENTS

INTERNATIONAL ASSOCIATION FOR RESEARCH IN INCOME AND WEALTH

IARIW-OECD Special Conference on “W(h)ither the SNA?”

Paris, April 16–17, 2015

CALL FOR PAPERS

Background and Motivation

The System of National Accounts (SNA) started with impeccable academic credentials. In the preface to his elegant monograph *The Social Framework* published in 1942, John Hicks, who would win the Nobel prize in economics in 1972, wrote: “the study of social accounting . . . is probably the best way to begin the study of economics.” In 1984, Richard Stone was awarded the Nobel Prize in economics “for having made fundamental contributions to the development of systems of national accounts and hence greatly improved the basis for empirical economic analysis”. However, in his acceptance speech, Stone commented that the SNA was a half completed project and aspects of wellbeing and social concerns still needed to be incorporated into the framework.

In February 2008, the President of the French Republic, Nicolas Sarkozy, created a “Commission on the Measurement of Economic Performance and Social Progress”, and asked Joseph Stiglitz (Nobel Prize winner in 2001) to be the President of the Commission, Amartya Sen (Nobel prize winner in 1998) to be Advisor, along with Jean Paul Fitoussi as Coordinator. The commission’s report published in 2009 roundly criticized the current concentration on measuring economic growth via GDP, as such a focus falls short of capturing societal well-being. This was in line with Stone, and indeed in line with what the SNA explains in the first chapter regarding the problems of trying to interpret national accounts in a welfare sense.

Although the initial conception of the SNA was as a tool for economic and social analysis, national accounts data soon started to be used for administrative purposes. The idea of GDP/GNI per capita became a useful tool with which to divide rich countries from poor, to decide which countries were eligible for concessional lending from the World Bank, to determine the level of contributions that should be made by countries belonging to international organisations for operational costs.

Macroeconomic indicators from the system of national accounts, such as government deficit and debt, also started to be used for monitoring purposes, whereby the

surpassing of certain thresholds could have a direct impact, often regulated by law, on economic policy. Furthermore, the compilation of quarterly data, with an increasing pressure on timeliness, drove the attention of compilers away from more research related questions and more structural policy needs. The use of national accounts as a tool for the analysis of past economic performance and possible future policy waned dramatically. In terms of economic analysis, the 1970s was a period when Keynesian economics became unfashionable and monetarism was ascendant. The advent of cheap and powerful computers led to the possibility of building Monte Carlo simulation models and exploring large micro-economic data sets. The SNA looked old-fashioned and less relevant to the new economics and it fell out of university curricula and out of basic economics textbooks.

Recently, some rapprochement with the academic world has started, notably in the field of price statistics, but the recent revision of the SNA revealed, for example, latent tensions between those national accountants who were acutely conscious of the implications of changes on the indicators for administrative purposes and those more inclined to the enlargement of the system to cover new policy concerns. Examples relate to the discussions on the inclusion of cost of capital, and on the recognition of government's pension liabilities. Both are included in the 2008 SNA, but only as memorandum items in supplementary tables.

Objective of Conference

All of this clearly raises the question w(h)ither the SNA is headed? The objective of the special OECD-IARIW conference is to look at the longer term future of the SNA.

Papers are invited that contribute to a discussion of the following issues:

- Is it inevitable that administrative and analytical uses tend to pull in opposite directions; can this be halted? Is it possible, and is there the will, to find a future development path of national accounts that allows it to develop in ways that will satisfy analytical as well as administrative needs?
- How to raise awareness of the possibilities that the accounting framework of national accounts can provide to economic research? How to enlarge the knowledge of the system of national accounts in university curricula of economics and econometrics?
- How can the system of national accounts be enhanced in order to stay relevant in providing the data needed to understand the evolving global economy and key economic developments?
- What is the place of national accounts in the debate about the measurement of wellbeing, sustainability and other issues raised by the Stiglitz-Sen-Fitoussi report? Should national accounts be confined to the measurement of economic activities or should it be progressively extended to better address these issues?
- More generally, what are the main questions related to policy and research that the system of national accounts needs to address in the future?

In light of these comments, contributions are welcomed on the main challenges in compiling national accounts, now and in the future. Contributions on how to address the main topics on the future research agenda of the 2008 SNA are also welcome.

Organisation of Conference

The conference will take place on Thursday, April 16 and Friday, April 17, 2015 at the OECD Conference Centre in Paris, France. The structure of the conference will follow the template developed for past IARIW special conferences, in particular the successful IARIW-OECD special conference on economic security held at the same location in November 2011.

A program committee composed of representatives from the IARIW and OECD has been formed to oversee the development of the conference program. Barbara Fraumeni, current IARIW Chair, and Anne Harrison, past IARIW Chair and Coordinator/Editor of the 2008 SNA Revision will represent the IARIW, and Peter van de Ven, also past IARIW Chair and Head of National Accounts at the OECD, and Paul Schreyer, Deputy Chief Statistician at the OECD, will represent the OECD. The cochairs of the program committee will be Peter van de Ven and Barbara Fraumeni.

The organisation of the conference will be divided between the IARIW secretariat and the OECD, with the division of responsibilities similar to that of the 2011 joint IARIW-OECD conference. The IARIW secretariat will assume responsibility for communications with all conference participants and maintain the conference program on the IARIW website. The OECD will assume responsibility for the conference website, conference registration, and local logistics.

There will be no registration fee for the conference, but all delegates, except those invited by the OECD, must be IARIW members, or join the IARIW. Delegates are responsible for their own travel costs, lunches, and hotel. The IARIW will provide some financial assistance to paper givers on a needs basis.

The number of delegates at OECD special conferences is generally between 100 and 120. A similar number is expected for this conference. Selected papers from IARIW special conferences are normally published in special issues of the *Review of Income and Wealth*, edited by a sub-set (one or two persons) of the members of the program committee. It is expected that this practice will be continued for this conference.

Persons interested in presenting a paper at the conference are requested to submit a proposal of less than 1,000 words through the web-tool posted at www.iariw.org/paper_submission2015SNA.php. The deadline for submissions is September 30, 2014, with decisions made by October 31, 2014.