Globalization, as now understood, is a centuries old phenomenon of growing interaction between national economies. In recent decades, the phenomenon has gained a new momentum, because of political developments and progress in information and communication technology. The traditional interrelations, e.g. in closely connected financial markets, have grown considerably. At the same time there has been a deepening of globalization through, for example, international value added chains. Increasingly production processes extend over the whole world. These developments have had a positive impact on worldwide income and productivity. However, the financial crisis, which started in the USA in 2007 and rapidly spread to other parts of the world, has revealed the major risks associated with the growing interconnectedness of national economies.

In April 2007, a UNECE-led Expert Group on the Impact of Globalization on National Accounts (GGNA) was established, following a decision of the Conference of European Statisticians (CES). The Group was organized jointly with the OECD and Eurostat. A framework of indicators for measuring the magnitude and pace of economic globalization had already been agreed, as a result of the work of a number of international organizations. However, little was known about its impact on the compilation of existing national statistics. There was a need to examine how globalization affects the compilation of economic statistics in general and national accounts in particular, and to outline the areas where further efforts are needed in order to maintain the quality of the data. Under its terms of reference, the objective of the GGNA was “to review the main distortions in the compilation of national accounts and related source statistics, as caused by globalization”. In doing so, the Group should “put forward proposals on how to deal with these distortions in order to improve the quality of national accounts”. This Guide “The Impact of Globalization on National Accounts” is the outcome of the work of the GGNA.

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