



Communication TT: Review of Macroeconomic Accounting Terminology

OCTOBER 5, 2020

Eric Metreau (secretariat of TT)
Senior Economist
Economic and Debt Statistics (DECES)
World Bank

Outline

- Objective
- Activities
- Possible Developments
- Feedback from UNECE webinar

Terminology workstream: Objective

Objective: conduct a review of the current macroeconomic accounting terminology and branding across countries and seek to foster comparability, consistency, and understanding of macroeconomic by users.

- ✗ **the goal does not include changing the concepts currently used.**
- ✓ **the goal is to identify complementary alternative terms** for more consistent and accurate use in the communication with non-experts, to better convey the meaning and interpretation of the definition, concept, and data to users.
- ✓ **the goal is also to review the branding of the macroeconomic accounting manuals.**

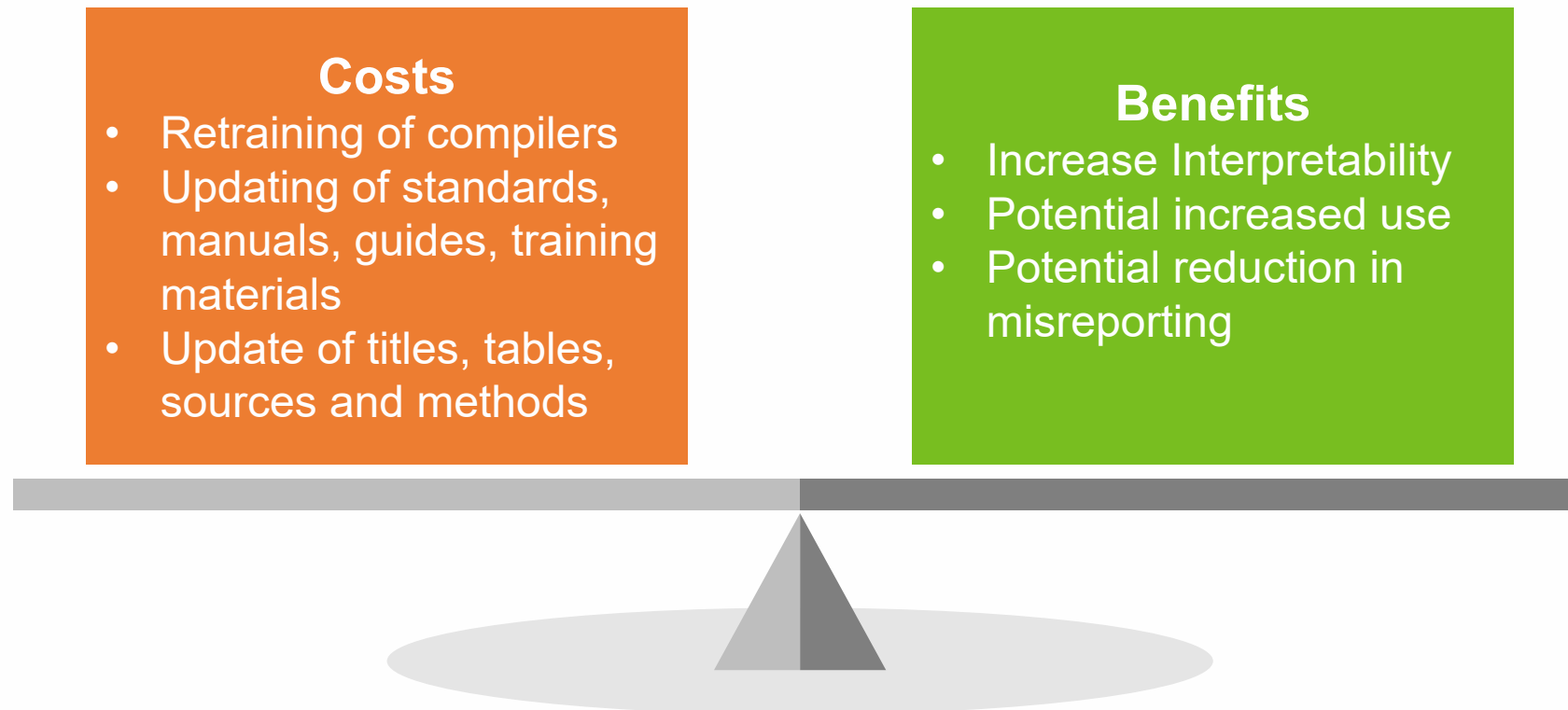
The Task Team is expected to:

- **evaluate the terminology and labelling** used by the macroeconomic accounting manuals and assess if it is still relevant and consistent with the macroeconomic domain.
- **take into account the different audiences and users** of macroeconomic statistics.

Terminology workstream: Objective

Weighing the costs and benefits of a change in terminology and presentation

- The cost of any change in terminology and presentation is significant and most likely outweighs the benefits.
- As an alternative, a complementary set of stylized tables/accounts, indicators, terms with a more modern appeal can be considered but the underlying concepts remain unchanged.



Terminology workstream: Activities



Terminology

The work will include a review of all terms used by the macroeconomic accounting manuals.



Branding

The work will include a review of the overall branding, including the way the versions of the manuals are labelled and the way the system as a whole is referenced.



Labelling

The work will include a review of the labelling of accounts and tables.



Survey

The review could include a survey to compilers and users to know the terminology they are using and how it is understood by users.

Terminology workstream: Possible developments



Terminology

- Primary, Secondary, Disposable Income – are these terms well understood?
 - would *Earned Income* be a more appropriate term for primary income?
- The use of disposable income account
 - would an appropriate alias be *Saving and Investment Account*?
- Do users understand the technical concepts generally used in national accounts?
 - could user-friendly alternatives be suggested?



Branding

- How do users interpret the 2008 SNA brand?
 - 1953, 1968, 1993, and 2008 SNA?
- Should the new next version of the SNA include reference to a year?
 - *2025 SNA* versus *SNA*?
- Do users understand what is national accounts compilation and relate to GDP and other key aggregates?
- Do users understand the coverage and scope and the links with other statistical domains?

Terminology Workstream: Feedback from UNECE webinar

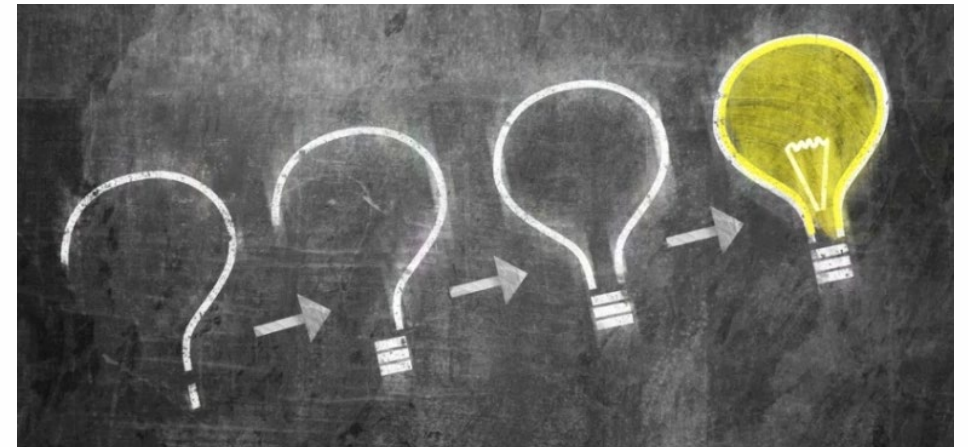
How to reach out to users to avoid misunderstandings?

How to enhance the appropriate use and exploitation of all the enormous wealth of information in the SNA (beyond headline GDP)?

- **Different layers of complexity in terminology** for different typologies of user.
- Important to distinguish between:
 - **communication aimed at users** (focused on appropriate interpretation and use)
 - **communication aimed at compilers** (focused on specific parameters and technical details required for appropriate measurement).
- Need of **specific terms**, but the challenge is to **communicate in the "real world"**.
- Importance of finding **user friendly terms in English**, but also to find good **equivalents in other languages**.

Terminology workstream: Questions to AEG

- **Is the scope of the workstream considered suitable?**
- **Are there any views on how to better define the scope of this workstream, considering the feedback from the UNECE webinar?**
- **Should other activities be included?**
- **Are you interested in participating in this workstream?**



END

Thank you!