



# PANEL DISCUSSION Beyond GDP sprint session 5: Mapping distributional frameworks

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# 1- Synergies Across the Different Frameworks

- The three frameworks (NTA, EG DNA, WID DINA) have a solid economic basis.
- The three frameworks have national groups with studies in cooperation between scientists, universities, and governmental institutions. They also interact with multilateral institutions such as the UN, OECD, IMF, and the World Bank.
- The three frameworks try to fit the aggregation of their microdata collected with the national accounts (NA).
- The three frameworks are DISTRIBUTIONAL; that is to say, they fit inequality studies.
- NTA, DNA, and DINA suit the study of income distribution, but only the latter two developed measurement of wealth distribution.



# 1- Synergies Across the Different Frameworks

#### Individual x Household

- NTA Data collected from the individual level in a household survey, allowing the break by age, sex, and other individual attributes such as education.
- DNA Data collected from the household level in a household survey, so that individual level atribute is derived from the household composition that can be associated with a kind of equivalente scale.
- DINA Data collected from adult individuals in tax data, the income of a couple is divided by two.

#### Consequence of the above differences in data collection

- The DNA and DINA are more fit to calculate the income distribution (e.g, quintiles) of the households or the individuals respectively,
- The NTA is more fit to calculate income inequality and transfers between age and sex groups.



# 2- How to capitalize on these synergies?

#### DNA and DINA

 The inequality framework is focused on income inequality and stratification of the population by income quintiles with leading to built in indicators.

#### NTA

- In addition to the inequality by age and sex, this framework is well suited to the stratification by education groups with the underlying income inequality. Education is an acquired attribute (not ascribed like sex), it is also an indicator of human capital investment but, in this context of inequality, it is a proxy for social stratification.
- It may not be possible, but just as age was incorporated in DNA, it may worth the effort to incorporate education groups in that framework. I am not sure if it would be feasible.
- Likewise, it may worthwhile to evaluate the calculation of a wealth-age profile in the NTA context.



# 3- Is a consolidated description of the three distributional frameworks useful?

- It may not be possible to create a Unified Framework between these three approaches.
- It is useful to consolidate methodologies to compare the basic concepts to incorporate the innovations from one approach to the others.
- The incorporation of education groups mentioned before is one example.
- The translation from Family to Individuals and vice-versa is a worthwhile effort.
- The NTA incorporated non-market time (from time use surveys) with its monetary valuation. This is a major contribution to the social care economy debate and to the incorporation of the gender dimension. DNA and DINA could benefit in cooperative efforts towards incorporating this dimension.

# Cedeplar Accounts

# 4- Other Issues: Going beyond GDP and National Accounts

- I haven't discussed the HDI because it is not so fit in the National Accounts and is a well-known indicator.
- Beyond GDP and moving towards shadow price valuations, just like non-market time valuation, the three frameworks could consider incorporating National Environmental Accounts. This may fit better to DNA and DINA.
- There are some survey-related indicators that could be incorporated in the NTA with further implications for the inequality studies:
  - Households with Food Insecurity One commonly used hunger measure is the Household Food Insecurity Access Scale (HFIAS), often used in nutrition surveys.
  - Health Status Health status scales derived from health surveys measure various aspects of an individual's health, including physical, mental, and social well-being. Disability-Adjusted Life Year (DALY) is another way to calculate the burden of diseases.



# THANK YOU!