Ideas for increasing concerted experimentation on the broadening of the umbrella framework, statistical operations and statistical infrastructure (new data, methods and framework)

In the following a couple of ideas are briefly outlined, aiming at discussing new possible development directions cross-cutting the current sub-domains composing the realm of economic statistics. Those ideas correspond to actual experimentations that are already under way or at least in the launching stage in many countries, including Italy, but they deserve further effort and investment by relevant networks of NSOs and Agencies co-operating at international level.

An issue that increasingly deserves a global focus in the governance and in the current operations of economic statistics is the relationship of NSOs with global players and in particular with Multi National Groups (MNGs). It is a common experience that for a single NSO - whatever its national size – it is extremely difficult to gain access at a meaningful set of crucial information concerning the operating framework and production arrangements of a specific MNG. This access is particularly important when a relevant share of the capital stock of the MNG is represented by intellectual property products that are by definition immaterial and can be easily transferred across Countries. Indeed, there are further obstacles in profiling and recording the economic flows concerning MNGs that are mainly (or exclusively) operating in the digital space, typically trespassing with their operation any territorial boundary and national definition.

In a number of crucial cases (i.e. very large corporations) national official statistics is at a loss in gathering and checking the needed information, because the relevant decision centers are abroad (with their final location not always clearly defined) and/or because the domestic units belonging to the MNG are not interested or keen to develop a co-operation with statistical authorities. Very often the domestic units are just complying with their response obligations but are not open to further clarifications or disclosure.

It seems very unlikely that positive changes in this situation can emerge at national level, just as a result of actions of un-coordinated NSOs. Given the global dimension of many MNGs only a global statistical subject (which nature is to be defined) representing the official statistics at multi-national level could play the role of a reliable partner of multinational economic entities. In the European Statistical System, a discussion has recently started about devising initiatives at European level aimed at developing new communication initiatives targeting MNGs, in order to make them aware of the crucial role in economic statistics of information concerning large (multinational) corporations. A very important aspect of this communication would be clarifying the independence and separation of information treated for statistical purposes from those managed by fiscal authorities. However, one can argue that the Eu level is still "regional" or not global enough, whilst globally defined initiatives are needed. A tentative target could be developing the needed awareness and sensibility of MNG headquarters and decision centers,

may be using the framework of the Corporate Social Responsibility where public statistics can be considered as an important component of the knowledge base for inclusive and sustainable societies and economies. Indeed, those initiatives should be complemented by the development of a legal and institutional framework aimed at enabling standard information sharing practices concerning business units operating in different Countries; also this framework must be developed involving all shareholders of economic statistics (including business and MNGs representatives).

The second aspect to be discussed here concerns actions aimed at increasing the availability of very disaggregated data, indicators and statistics that tackle micro/meso level issues in different economic domains.

In many Countries (as in the case of Italy) the production of economic statistics – as well as social statistics with their specific peculiarities – is increasingly based on the integration of census-like administrative or pseudo-administrative data-sets with information drawn from surveys in a register based framework. By the same token, standard business registers can be enriched to include additional information in a coherent way, developing so-called extended statistical registers that embody multiple data sources treated using integration and estimation techniques.

Meaningful data set, defined at firm or business unit level (i.e. at the level of the elemental unit identified in the register) are becoming available. Often those data sets were a by-product of the statistical process that at the onset was focused on producing macro data previously derived essentially from large sample based surveys (marred by non response issues). Along the process, the availability of firm level information linked to a register framework has open up important opportunities for designing new statistics defined at a very granular level. For instance, it can become common practice in the production of structural business statistics (annual statistics concerning economic activity, labour, real assets, etc.) to cross tabulate data with a very detailed breakdown for a number of variables: sector classification, firm size, territorial unit, specific structural characteristics (as the ones related to foreign control and export activities) and so on. Moreover, extended statistical registers can allow to work out distributional information on business units performance and productivity, also exploring firm level heterogeneity in a framework fully consistent with standard official figures derived by aggregation of the same information set.

However, the technical feasibility of the production of coherent data sets of economic variables defined at unit level can be seen as just the starting point of the process of disseminating meaningful (micro/meso level) information enriching the knowledge of the economic system. Confidentiality issues are of utmost relevance here and new approaches and methodologies able to bar any risk in terms of confidentiality breaches are to be tested thoroughly, before any experimental releases. Quality issues related to missing information and/or missing units have also to be considered very carefully before disseminating statistics or indicators that cannot be characterised by standard statistical (in terms of error distribution) properties. Last but not

least, the timeliness of structural information with high granularity is also crucial, as datasets depicting the economic reality with long delays are bound to be considered by the majority of users (first of all the ones involved in policy design and evaluation) as "too remote" or even useless.