

Major Issues Needing Resolution For the SEIGA Handbook

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Purpose of SEIGA?

- To provide accurate, timely, and relevant data on global interdependencies (income, production, trade, investment, and finance) to better inform key policies and plans, including:
 - Economic development policies
 - Trade and investment policies
 - Monetary policy and financial regulation
 - Tax policy
 - Fiscal policy
 - Environmental and energy policies
 - Critical materials, food safety, and national security policies
 - Business and investor decisions
 - Public opinions (which often shape policy)

Global Value Chains and Unit of Measurement?

- Global value chains as an organizing framework
 - Build on work of the UN, UNECE, OECD, EUROSTAT on GVCs and work on GVCs by academic researchers and researchers in national statistical offices.
 - GVCs cut across geographic borders to measure economic interdependencies within and across countries not fully measured by existing data
 - Choice of GVC has important implications for data collection and estimation
 - Focus is on the global enterprise where global decisions made and data kept
 - Shorter-term: mixed establishment and enterprise data, indirect estimates (extended supply and use and TIVA estimates), data linking, expanded survey information on value-added chains and firm characteristics
 - Longer-term: common business registers, data reconciliation and linking, expanded data collections on value-chains (beyond counterparty)

Satellite Accounts, Modifications to SNA and BPM, or Stand Alone Accounts?

- Expert groups suggest that new concepts associated with globalization are increasingly difficult to deal with within existing national and that they may be best tested in satellite, or supplementary accounts.
- Satellite accounts have the advantage of providing a supplementary framework for developing new measures, without overburdening or reducing the accuracy or consistency of the core accounts.
- In addition to providing alternative ownership and geographic concepts for production, income, trade and finance, satellite accounts can provide an extended set of international accounts (SEIGA) where issues from the UNECE guidelines research agenda might best worked out, including the treatment of factory-less goods producers, governance, and international orientation.

Satellite Accounts, Modifications to SNA and BPM, or Stand Alone Accounts?

- A satellite account can provide an integrated, consistent, and comprehensive accounting framework that ties new globalization measures, such as trade in value-added and pulls them together with new globalization research and links them to the existing core accounts.
- This consistency and drill-down capacity from the core accounts to the extended international and global accounts will significantly improve the relevance of economic statistics.
 - Policymakers, business, researchers, and investors can draw on the large toolkit of analytic tools developed for use with the national accounts and balance of payments.

What Will SEIGA Provide?

- An integrated presentation of the SEIGA, SNA, and Balance of Payments that supply an integrated international and global framework for decomposition and linkages of production, income, expenditures, assets, liabilities, and environmental-economic transactions across regions, countries, and industries.
- Additional breakdowns of existing international entries in the core accounts, such as breakdowns of exports and imports by the characteristics of exporters.
- Global linkages, with alternate scope and concepts to the core accounts, such as global supply and use tables that link to expanded country tables and can provide a decomposition of trade and bilateral balances on a value-added basis.

Focus on the Scope, Concepts, Architecture, or on Methods and Data Development?

- Guidelines should address both sets of issues, but the main focus should probably be on the broader issues of scope, concepts, and architecture rather than more technical issues like methods and data development.
 - Much to do now that can help policy. Don't let perfect be the enemy of the good.
 - As a satellite system, SEIGA, will be a place to experiment without overburdening core accounts, but able to link to them.
 - Setting detailed standards prematurely can close off essential research and development.
 - SEIGA guidelines will build on and provide a unifying framework for ongoing work on globalization.

Within Sections That Do Deal with Methods, Should the Focus be on Indirect or Direct Methods?

- In the short run much of the effort should probably use existing data and indirect estimates.
 - Maximize bang for the buck: improve core data and use and refine indirect estimates to produce “top down” estimates
 - Developmental work should proceed on data linkages and new data collections
- Longer run, the effort should probably shift toward new micro-data data collection, sharing, and estimation.

Scope of Extended Accounts?

- Extensions of existing core statistics:
 - UNECE Global Production and G-20 Report on Financial Crisis and Information Gaps
 - Full set of Updated SNA and BPM accounts
- Enhancements to Core Statistics
 - Mainly additional detail
- International extensions:
 - Additional and expanded international data
 - Consistency with BPM and SNA and bilateral reconciliation
- Global extensions
 - GVCs, Global supply and use, TIVA, ownership-based accounts, UBO, etc.
- Work best left to others:
 - Statistical agencies provide toolkit for policy and other researchers.

Priorities to Types of Satellite Accounts within a Broader Framework

- Trade in value-added accounts
- Extended financial accounts
- Extended global production accounts
- Extended global income accounts
- Extended global final sales accounts
- Ownership-based accounts
- Others?

Ultimate Replacement of SEIGA with Revised SNA/BPM?

- The most important aspects of a System of Extended International and Global Accounts can probably continue to be best dealt within a system of satellite accounts. SNA (2008) there are two types of satellite accounts:
 - *More detail, but no change in core concepts.* Could go to core accounts, but may overburden core accounts. Can already be used with core accounts.
 - *Alternate concepts, links to core accounts, but complimentary aggregates supplement the central system.* May well not want to put in core accounts. Periodic estimates may also lower costs and respondent burden.

Need for Outreach Program?

- Reaching out to explaining the value of the SEIGA data may be important:
 - Outreach can help to justify the incremental resources needed to collect and process such data.
 - It may also help convince business groups and respondents to report on global value chains in expanded surveys and to allow the sharing of this data for statistical purposes, while carefully protecting the confidentiality of the data.
 - Finally, outreach may help skeptics in trade-sensitive sectors on the value of such data.