



**Economic and Social
Council**

Distr.
GENERAL

CES/2001/7/Add.1
31 May 2001

ENGLISH ONLY

STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Forty-ninth plenary session
(Geneva, 11-13 June 2001)

Some Comments on the IMF Paper

**“Manuals On Macroeconomic Statistics:
A Stocktaking To Guide Future Work (Ces/2001/7)”**

Prepared by Louis Kincannon, Consultant to the ECE Secretariat

I. Key To Relevant And Consistent Statistics

1. Manuals on macroeconomic statistics are not usually seen as glamorous, even in statistical circles. In the next circle of those concerned about economic statistics, economists and political officials, for example, manuals too often at best are perceived as no more than necessary drudgery. This is unfortunate, as such manuals are in a true sense the flower that begets the fruit so desired by our masters and clients, that is, more relevant and consistent macroeconomic numbers.

2. In this context, official statisticians responsible for producing this fruit will see that the paper by Carson and Laliberté is a very useful contribution to their work in the Conference. This paper offers a means to improve the coordination of work in international statistical agencies, and its suggestions can lead to improved efficiencies in these organizations and better statistical products for data users. Heads of national statistical offices will certainly welcome this concise inventory within a practical framework. The paper notes briefly the degree of consistency between current manuals. It suggests possible next steps. It cautions about approaches. It is timely, given the considerable work accomplished and the volume of work in progress, and it should permit us to build on the momentum of the past decade of productive labor. Most importantly it puts directly before the leading official statisticians who participate in the

Conference a set of clear choices ripe for discussion. One hopes that a sense of direction or even agreement on next steps may emerge as a result.

3. There are some very good points in the paper to which one might add emphasis or offer a slightly different slant.

II. Next Steps For Manuals

4. In discussing next steps for the manuals, the paper treats three topics: awareness and accessibility of manuals, the process of harmonization among manuals, and procedures for updating manuals. Under **awareness and accessibility**, closer consideration should be given to enhancing the direct involvement of data producers and users in development of manuals. This is briefly mentioned and too quickly dismissed. Direct involvement can be difficult logistically, sometimes stressful politically, and it can be costly in terms of the limited resources of the international agencies. The payoff if one succeeds, however, can be very great indeed, both from the practical knowledge of such participants and also in terms of their committed support for the statistical infrastructure needed for implementation. It can also help bind users and producers to one another in ways that can be very constructive in national and international statistical work.

5. With regard to the **process of harmonization**, of course international organizations should consider and endeavor to achieve consistency with the *1993 SNA*, and surely progress in this direction can be made. Still, in many instances perfect consistency will not be achieved, and there may be good and sufficient reason why. Those developing or revising manuals need to document inconsistencies that still remain after additional effort and explain the barriers to achieving more complete harmonization. This will strengthen confidence in the process and serve as a guide to who next tackle the problems.

6. The suggestions made under **procedures for updating** manuals are correct and important. The centrality of the national accounts can best be fostered by practical flexibility toward reasonable adjustment. Of course the national accounts must be robust and consistent to be useful, but if national accounts are perceived as too rigid, it will be much harder to promote them as the central reference set.

III. Formal, Transparent Process Needed For Updating

7. The international agencies have set the example of a formal, transparent mechanism for updating the national accounts. This is surely worth emulating for other manuals. Agencies and groups responsible for the various manuals in existence or in progress should give explicit attention to developing a comparable procedure, adapted to their situation, even if they may find adoption of such a mechanism is premature now. This explicit attention will show that the creators of the manual are forward looking about maintenance and improvement. This will help build confidence in the process. Sometimes participants in the process of development of a manual are not satisfied that the work is ready for adoption. They want to delay adoption until the work is perfected. This often deprives the world of useful improvements for several years. National authorities outside statistical agencies may feel that possible future problems are not adequately provided for. Various stakeholders in the process may worry about an overlong rigidity affecting relevance in a rapidly evolving economy. Having a formal process for updating will help to allay these kinds of concerns.

IV. Criteria For Assessing Need For Updating

8. The remarks about desirability of criteria for assessing the need for updating are well taken. Criteria are important to make sure neither resources nor opportunities are wasted. This approach is another step in building confidence on the part of policymakers, data producers, and data users. Treasuries may wrongly perceive that statisticians revise manuals to keep busy or out of habit. Data producers may agree in principle that revising manuals is a good idea, but may argue that revision is inconvenient now and should be delayed. Formal criteria can buttress arguments for resources and for the temporary inconvenience of revision.

V. Take Account Of Widely Varying Capabilities And Needs

9. Finally it is important to keep in mind as plans are made that manuals, like other standards, need to take cognizance of the enormous range of capabilities and needs among countries. There are instances when international efforts to set standards fail to address this successfully.

10. There have been occasions when we have not been successful in engaging sufficient attention or necessary commitment of the large economies and great trading blocs. When this occurs, hapless statisticians are left with a lot of explaining to do about poor comparability in vital areas of statistics. With all the tensions and needs for adjustment resulting from globalization, we really must do everything we can to ensure that the rich countries with well developed statistical infrastructures are engaged constructively in the process of manual development. If we do not do our best to help them move together, we are inviting difficulties.

11. More often we fall short of considering sufficiently the capabilities and needs of the numerous countries with statistical infrastructures that are not fully developed. This situation exists in the ECE region, and the Conference and the agencies that serve it can address the needs, at least to the extent of identifying them even if they cannot all be remedied. We all understand that some manuals may address subjects that are intrinsically of more interest to one group of countries than to another. This may be entirely legitimate, and if so it should be respected. To be respected, though, means we should know about it and make it clear to participants.

VI. Action Called For

12. In short, this paper presents a clear assessment of where we are and where we might go in the area of manuals on microeconomic statistics. It is a good basis for discussion and elucidation of the preferences of the Conference.
