

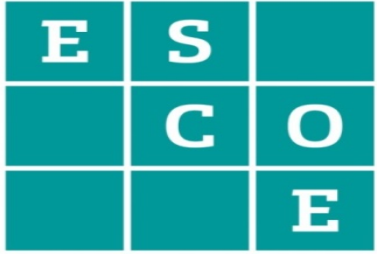
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Progress in Economic Measurement

3 July 2017



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Office for
National Statistics

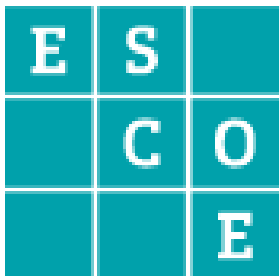
Production and Welfare: Progress in Economic Measurement

Dale W. Jorgenson

PRODUCTION AND WELFARE: Progress in Economic Measurement

by

Dale W. Jorgenson



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Presentation to the Economic Statistics Centre
for Excellence (ESCoE) National Institute of
Economic and Social Research

London, U.K. – July 3, 2017



PRODUCTION AND WELFARE

System of National Accounts

GDP as a Measure of Production

Standard of Living as a Measure of Welfare

Expanding the National Accounts

INSTITUTIONAL FRAMEWORK

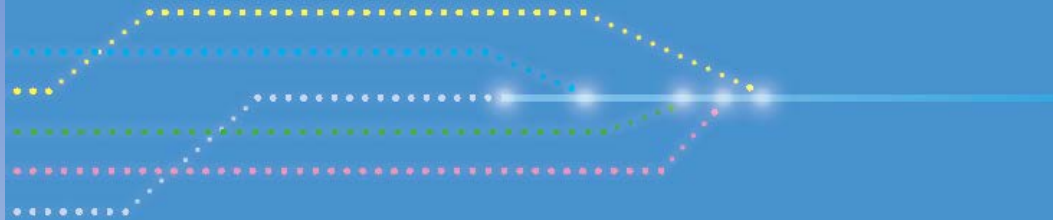
United Nations Statistical Division

National Statistical Institutions

System of National Accounts 2008

Within and Beyond the GDP

System of **National Accounts** 2008



European Commission



International Monetary Fund



Organisation for Economic
Co-operation and Development



United Nations



World Bank

PRODUCTION

New Architecture for the U.S. National Accounts

Measuring Output, Input, and Productivity

Measuring Capital and Labor Services

International Comparisons

BLUEPRINT FOR AN EXPANDED AND INTEGRATED SET OF ACCOUNTS FOR THE UNITED STATES

1. PRODUCTION

Gross Domestic Product Equals

Gross Domestic Factor Outlay

2. DOMESTIC RECEIPTS AND EXPENDITURES

Domestic Receipts Equal

Domestic Expenditure

3. FOREIGN TRANSACTION CURRENT ACCOUNT

Receipts from Rest of World Equal

Payments to Rest of World and

Balance on Current Account

4. DOMESTIC CAPITAL ACCOUNT

Gross Domestic Capital Formation Equals

Gross Domestic Savings

5. FOREIGN TRANSACTION CAPITAL ACCOUNT

Balance on Current Account Equals

Payments to Rest of the World and

Net Lending or Borrowing

6. DOMESTIC BALANCE SHEET

Domestic Wealth Equals

Domestic Tangible Assets and

U.S. Net International Position

7. U.S. INTERNATIONAL POSITION

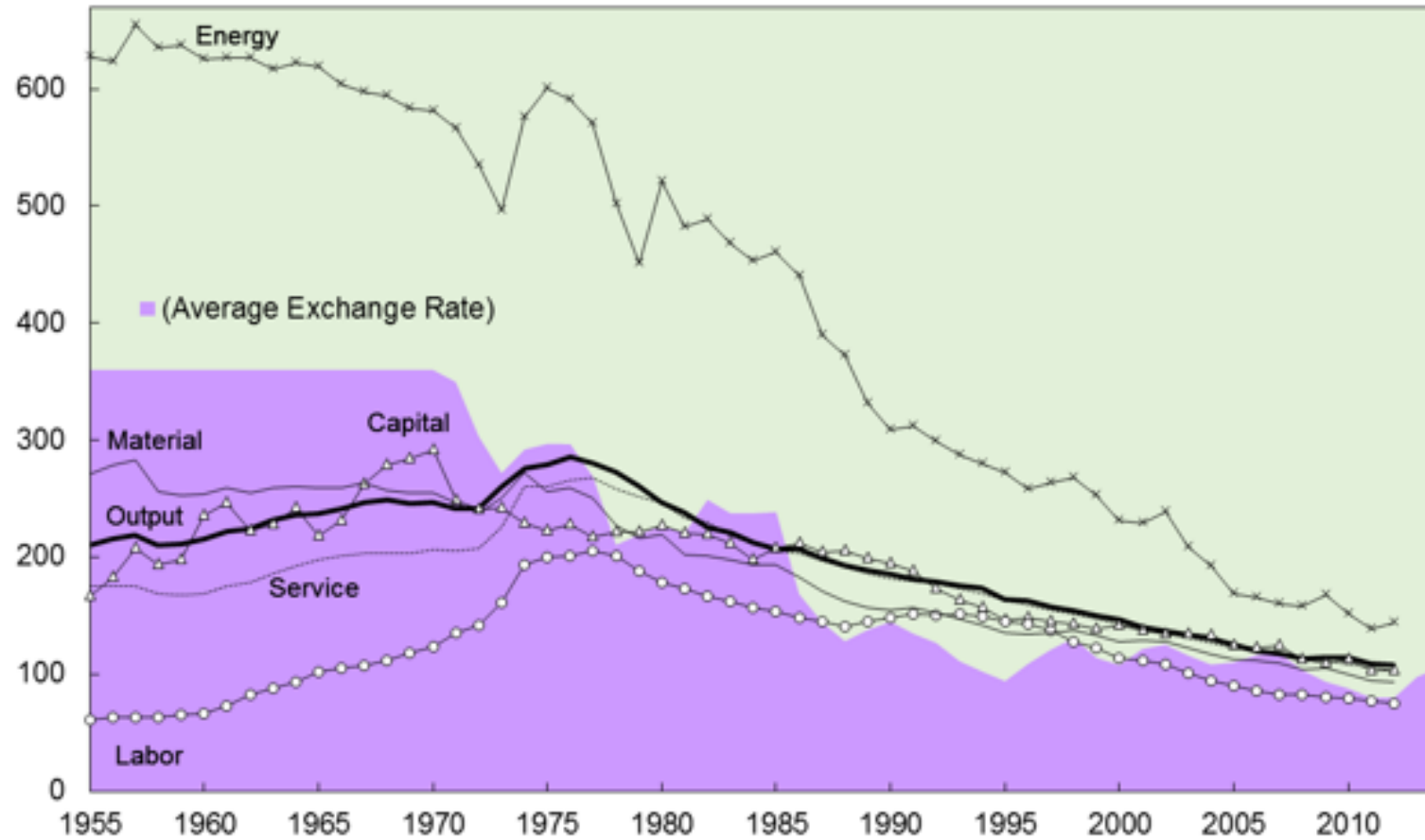
U.S.-Owned Assets Abroad Equal

Foreign-Owned Assets in U.S. and

U.S. Net International Position

Japan-U.S. Purchasing Power Parities for Output and KLEMS Inputs, 1955-2012

(Japanese Yen/US Dollar)



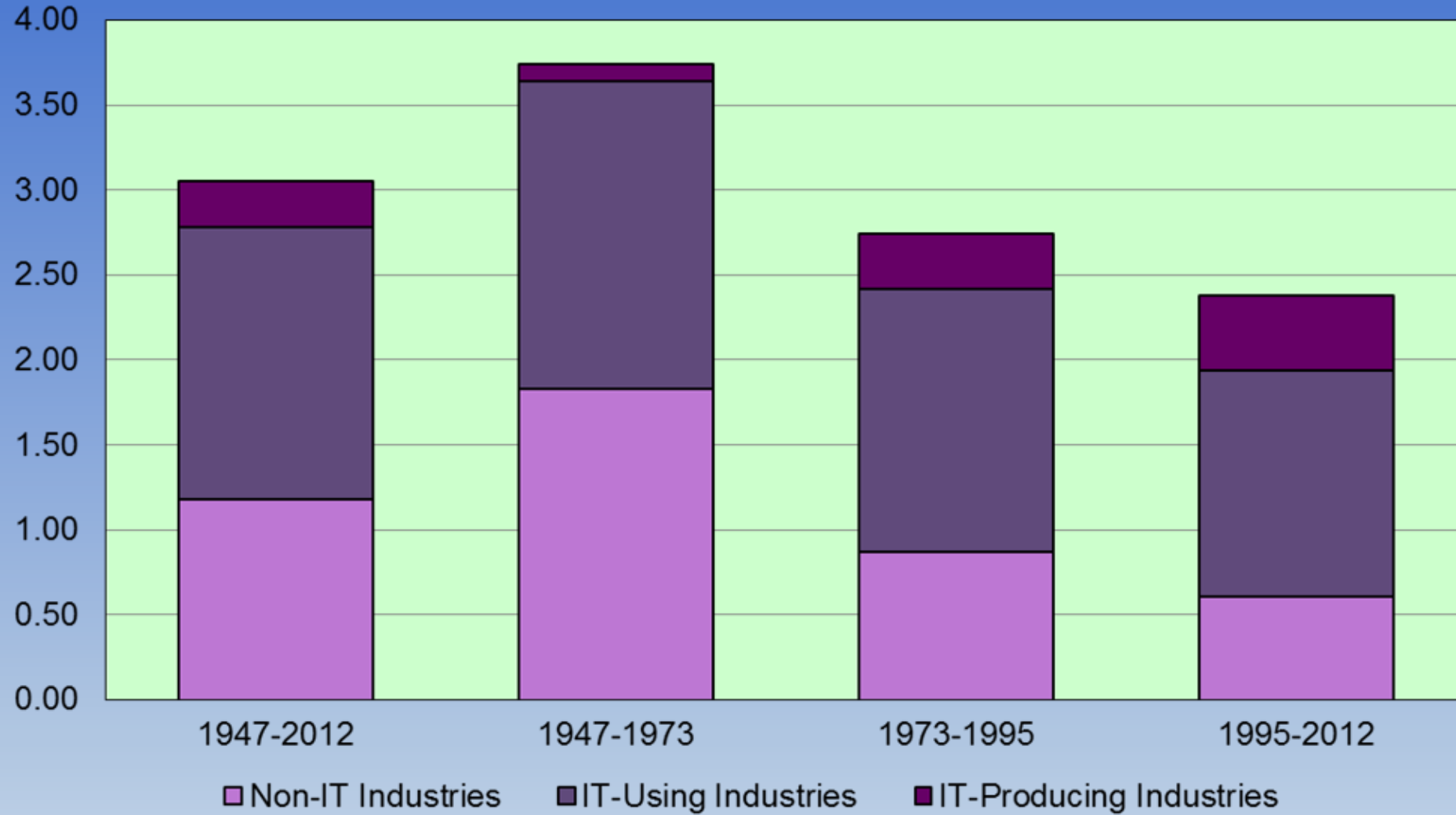
The World Economy:

Growth or Stagnation?

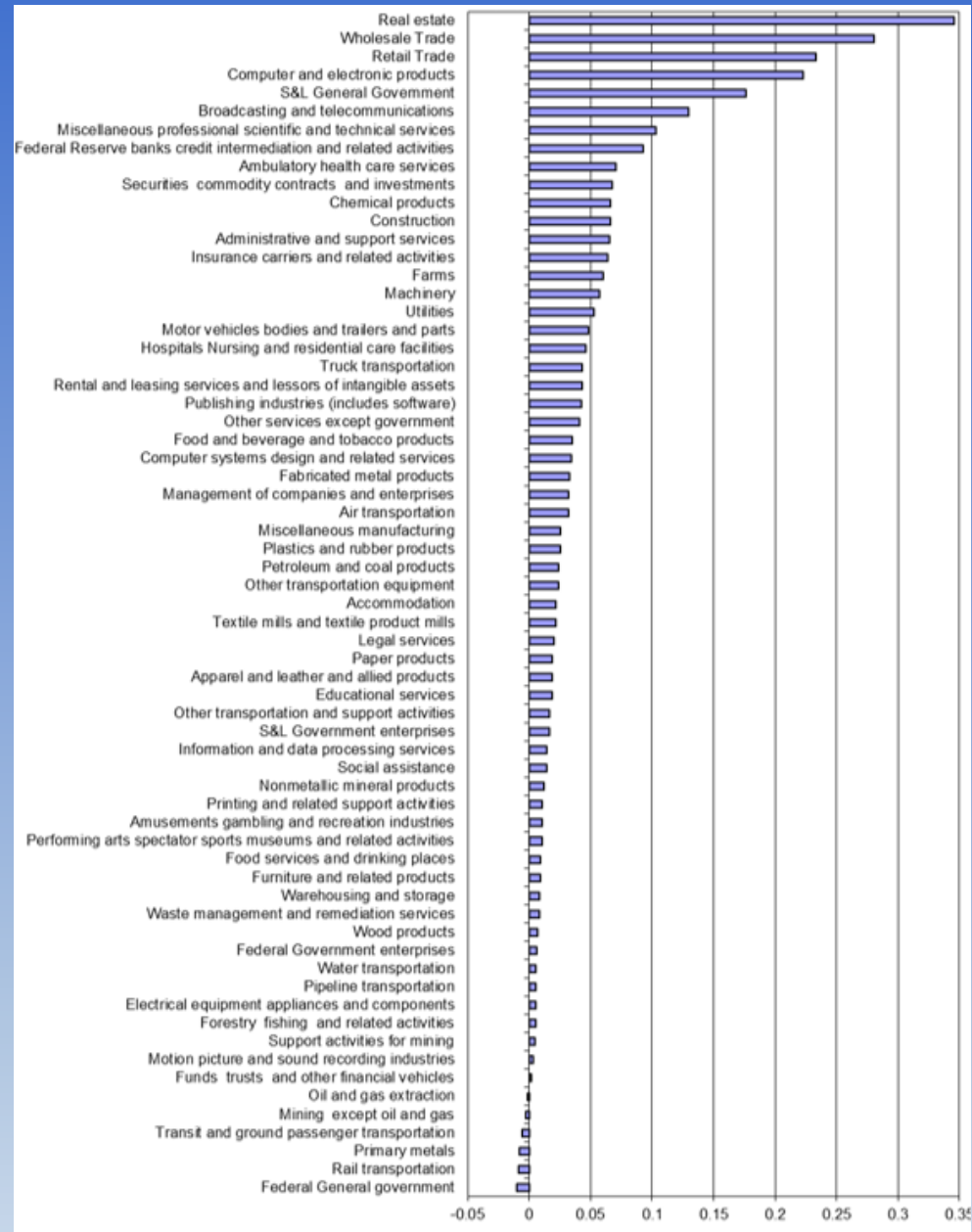
Edited by Dale W. Jorgenson,
Kyoji Fukao, and Marcel P. Timmer



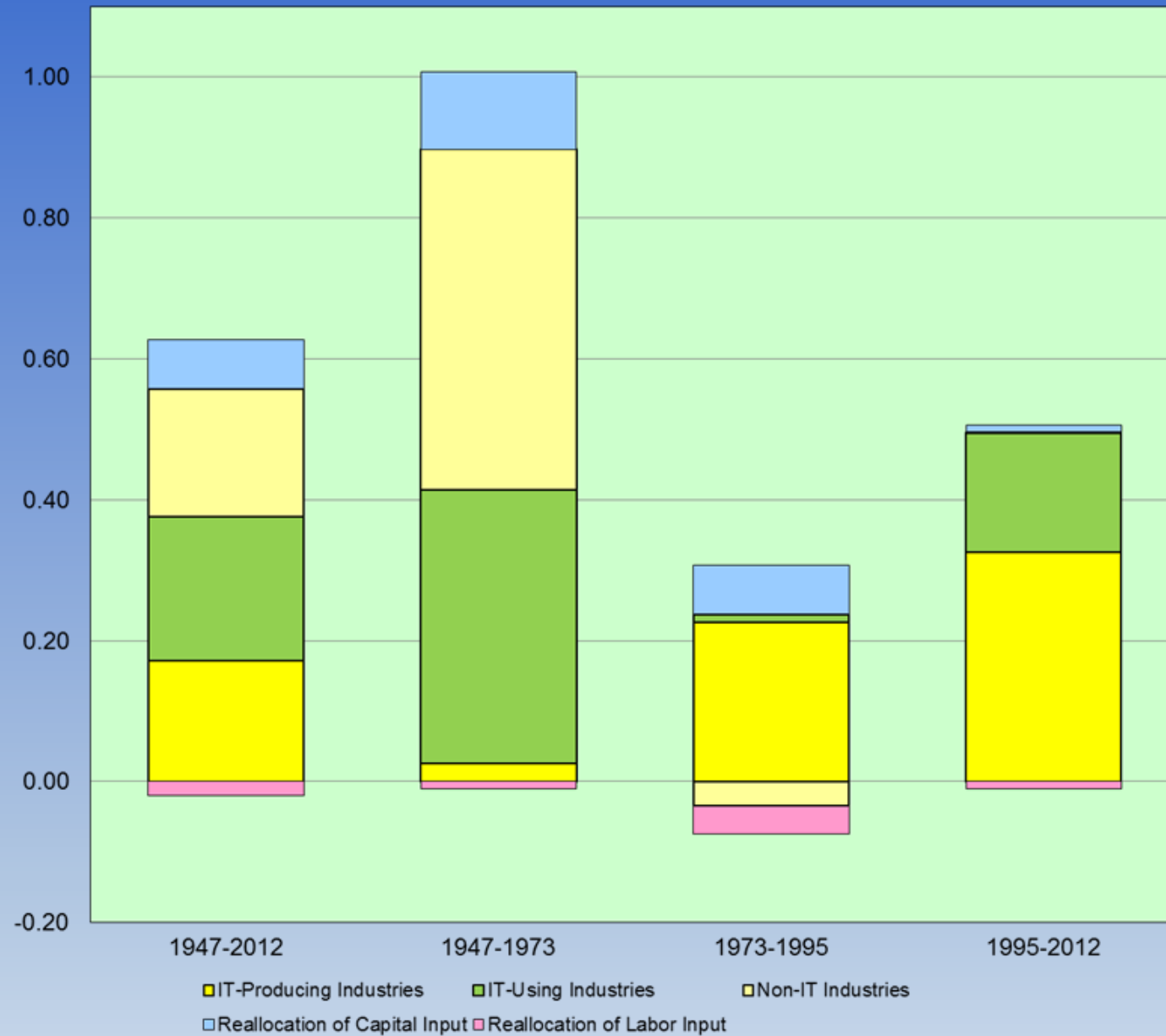
Contributions of Industry Groups to U.S. Value Added Growth, 1947-2012



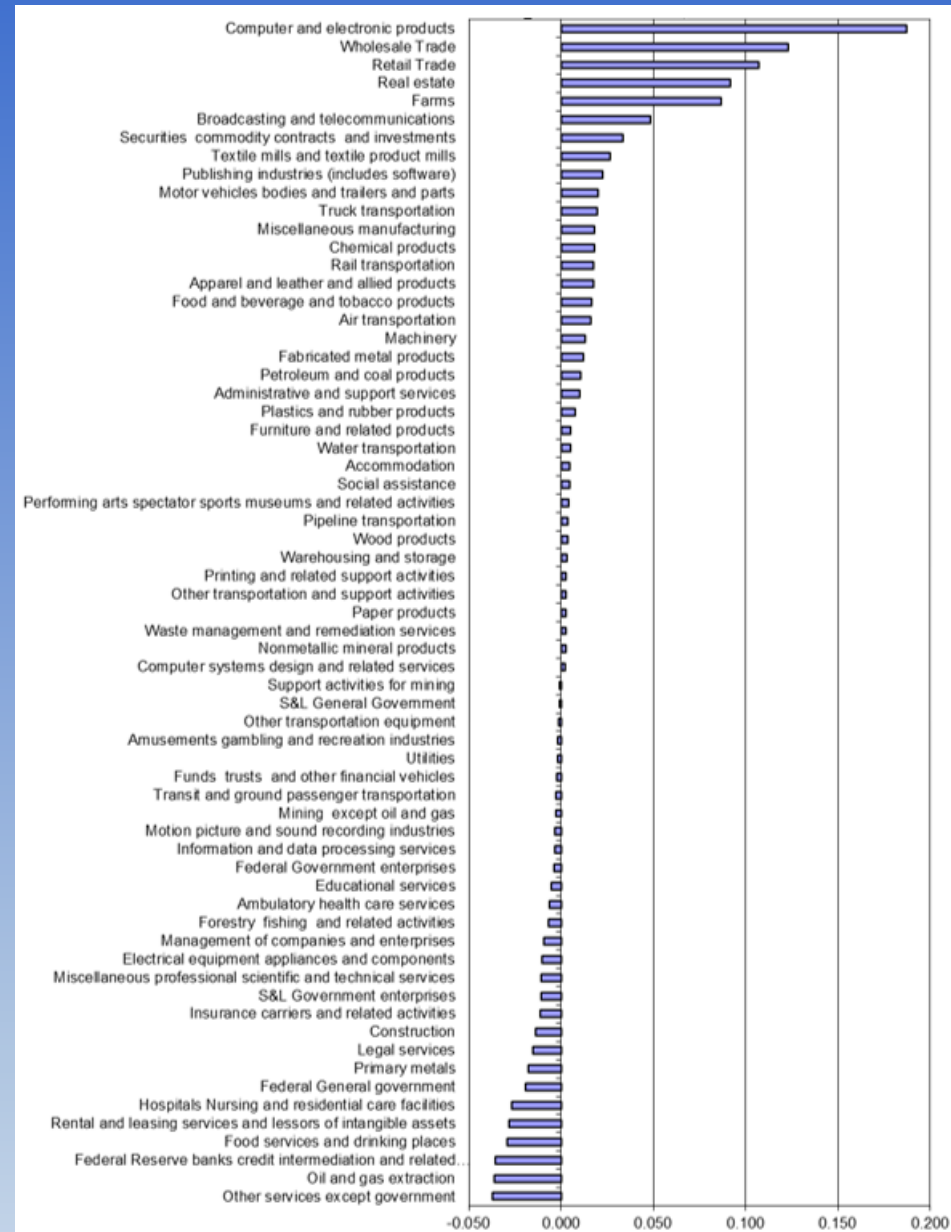
Industry Contributions to U.S. Value Added Growth, 1947-2012



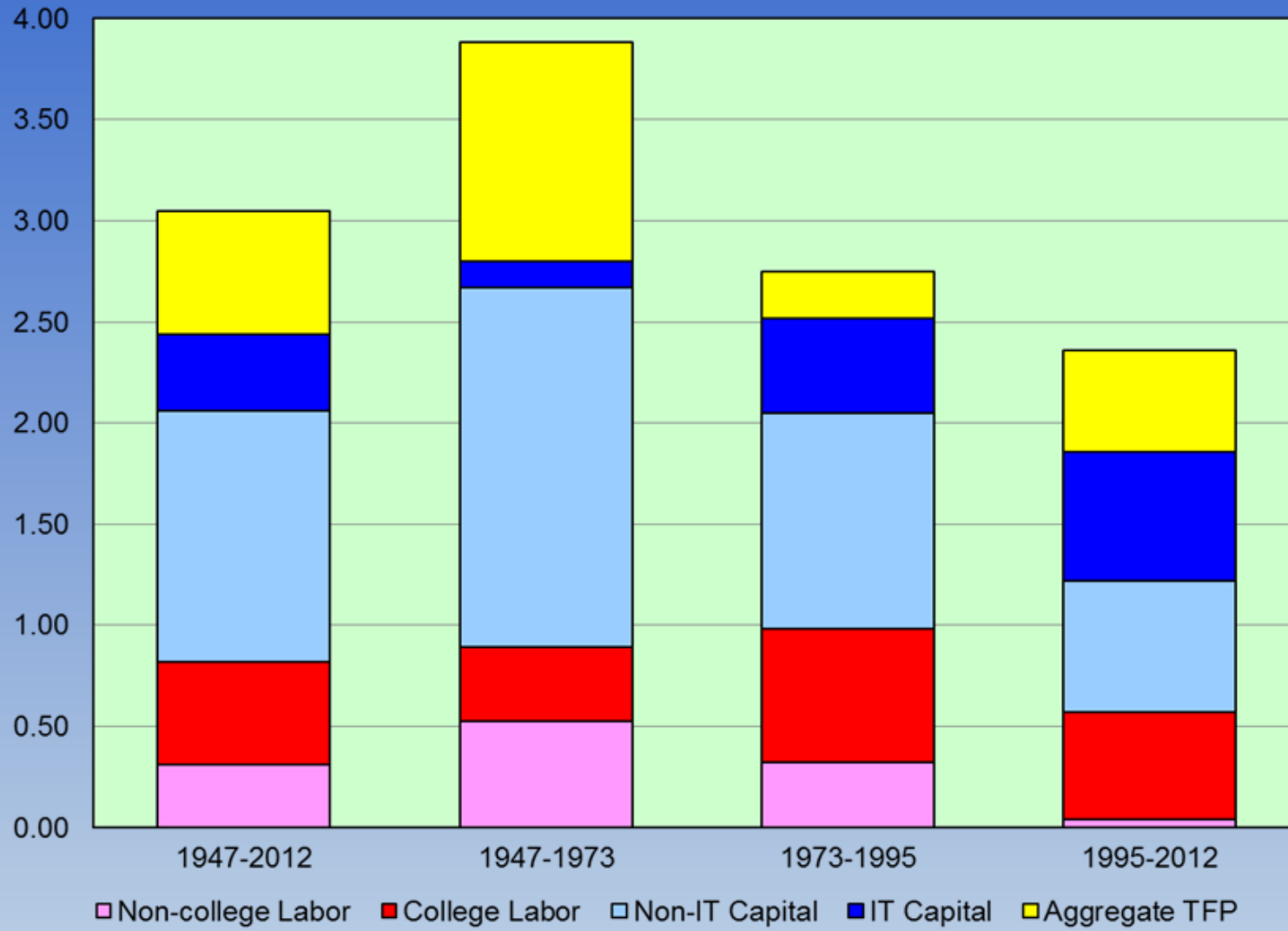
Contributions of Industry Groups to U.S. Productivity Growth, 1947-2012



Industry Contributions to U.S. Productivity Growth, 1947-2012



Sources of U.S. Economic Growth, 1947-2012



STANDARD OF LIVING

Utilitarian vs. Egalitarian

Efficiency vs. Equity

Alternative Approaches to Social Welfare

Beyond the GDP: Digitalization

CONTRIBUTIONS TO GROWTH OF THE STANDARD OF LIVING, 1948-2010

EGALITARIAN	1948-2010	1948-1973	1973-1995	1995-2000	2000-2005	2005-2010
Standard of Living	2.34	3.45	1.87	1.96	1.82	-0.27
Efficiency	2.16	2.67	1.97	2.65	2.03	0.11
Equity	0.17	0.78	-0.11	-0.68	-0.21	-0.37
UTILITARIAN	1948-2010	1948-1973	1973-1995	1995-2000	2000-2005	2005-2010
Standard of Living	2.24	3.09	1.90	2.20	1.93	-0.12
Efficiency	2.16	2.67	1.97	2.65	2.03	0.11
Equity	0.08	0.42	-0.07	-0.44	-0.10	-0.23

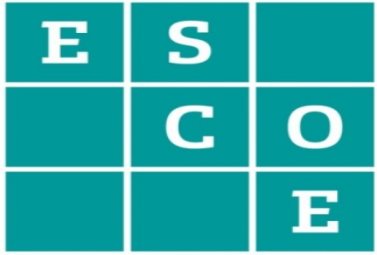
PROGRESS IN ECONOMIC MEASUREMENT:
SUMMARY

Output, Input, and Productivity in the National Accounts

**Efficiency, Equity, and the Standard of Living in the
National Accounts**

Within and Beyond the National Accounts

International Comparisons



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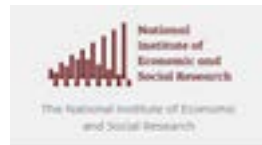


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