

# THE FUTURE OF NATIONAL ACCOUNTS

by

**Dale W. Jorgenson**

Santiago, Chile – July 6, 2017



**Universidad de Santiago de Chile**



# **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**

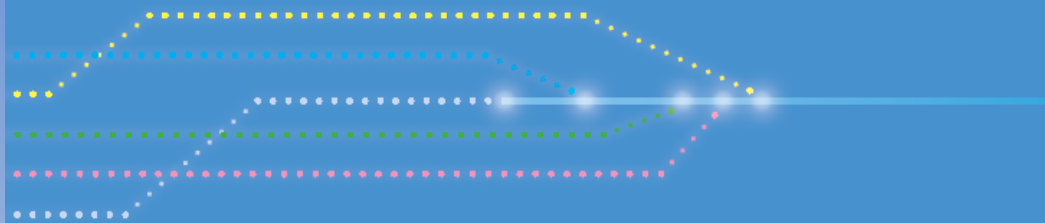
**United Nations Statistical Division**

**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

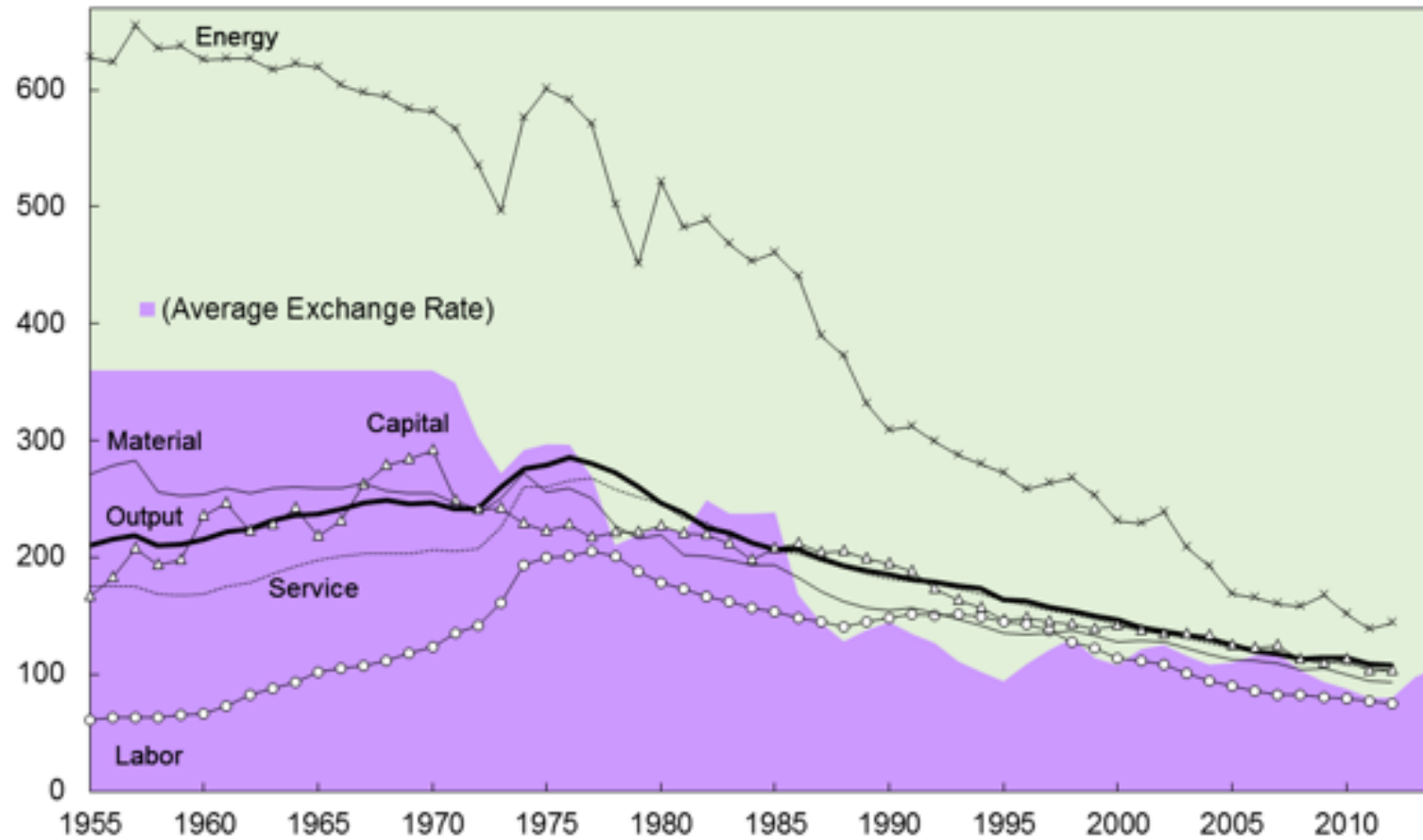
U.S.-Owned Assets Abroad Equal

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:**

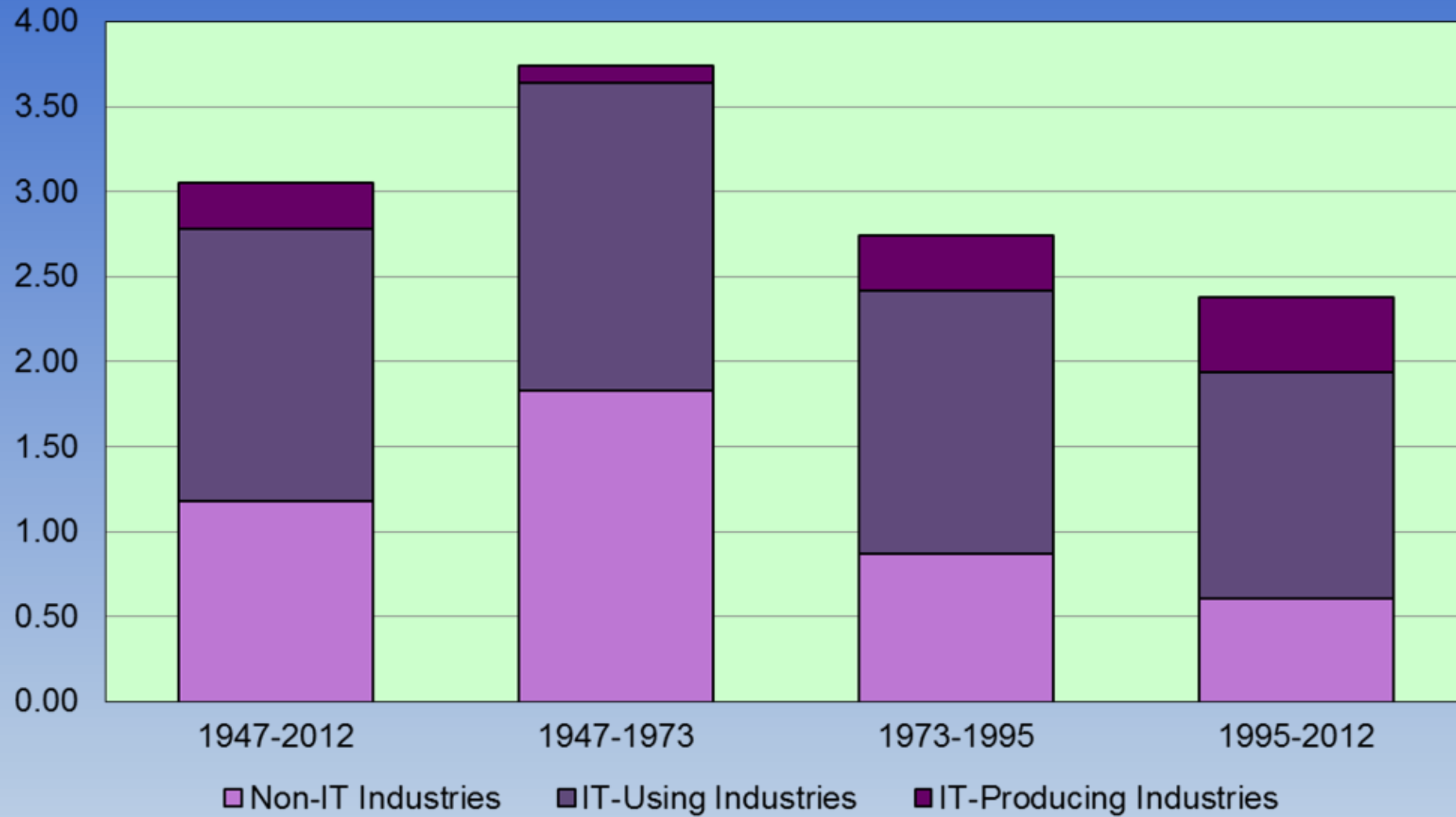
Growth or Stagnation?

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

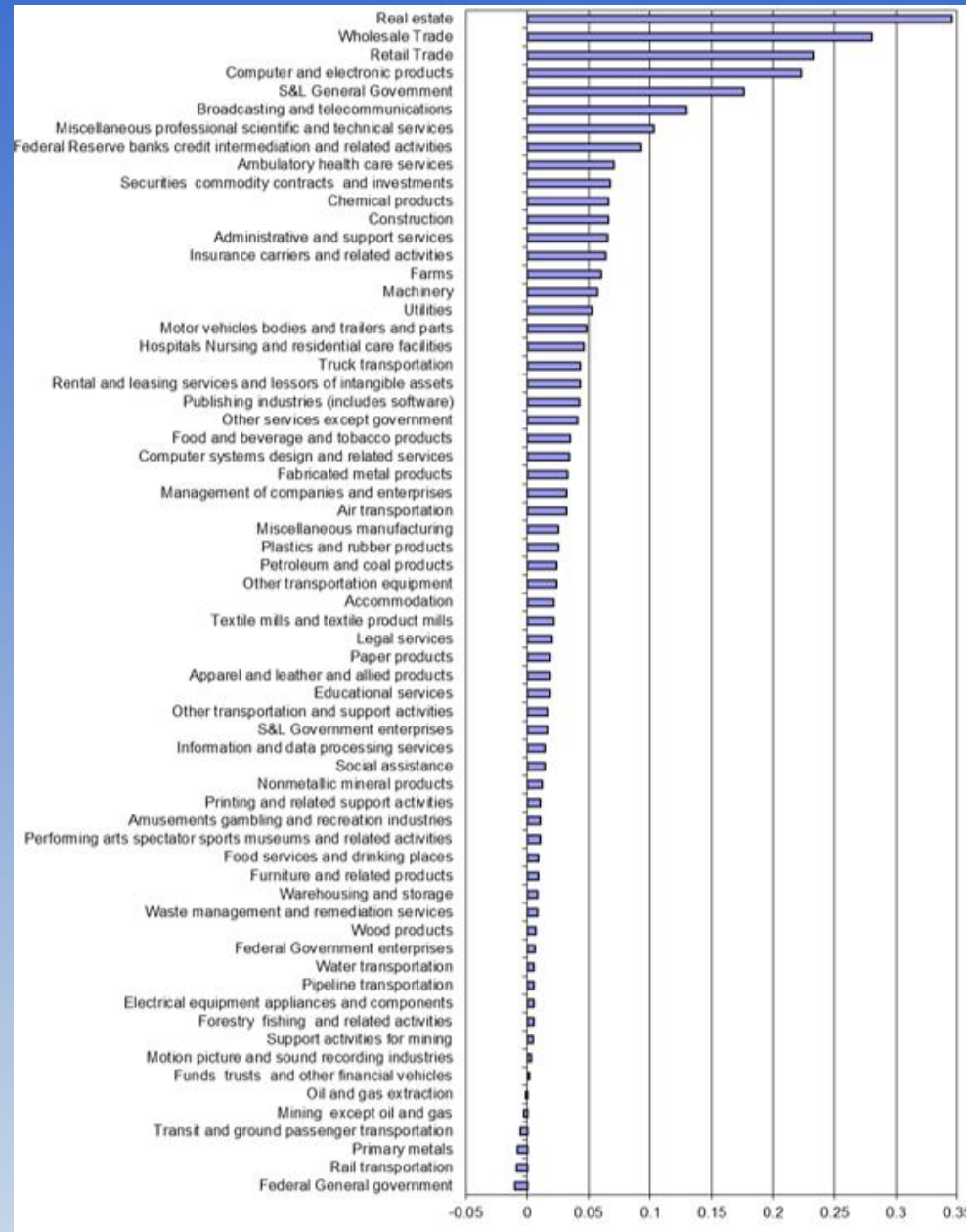




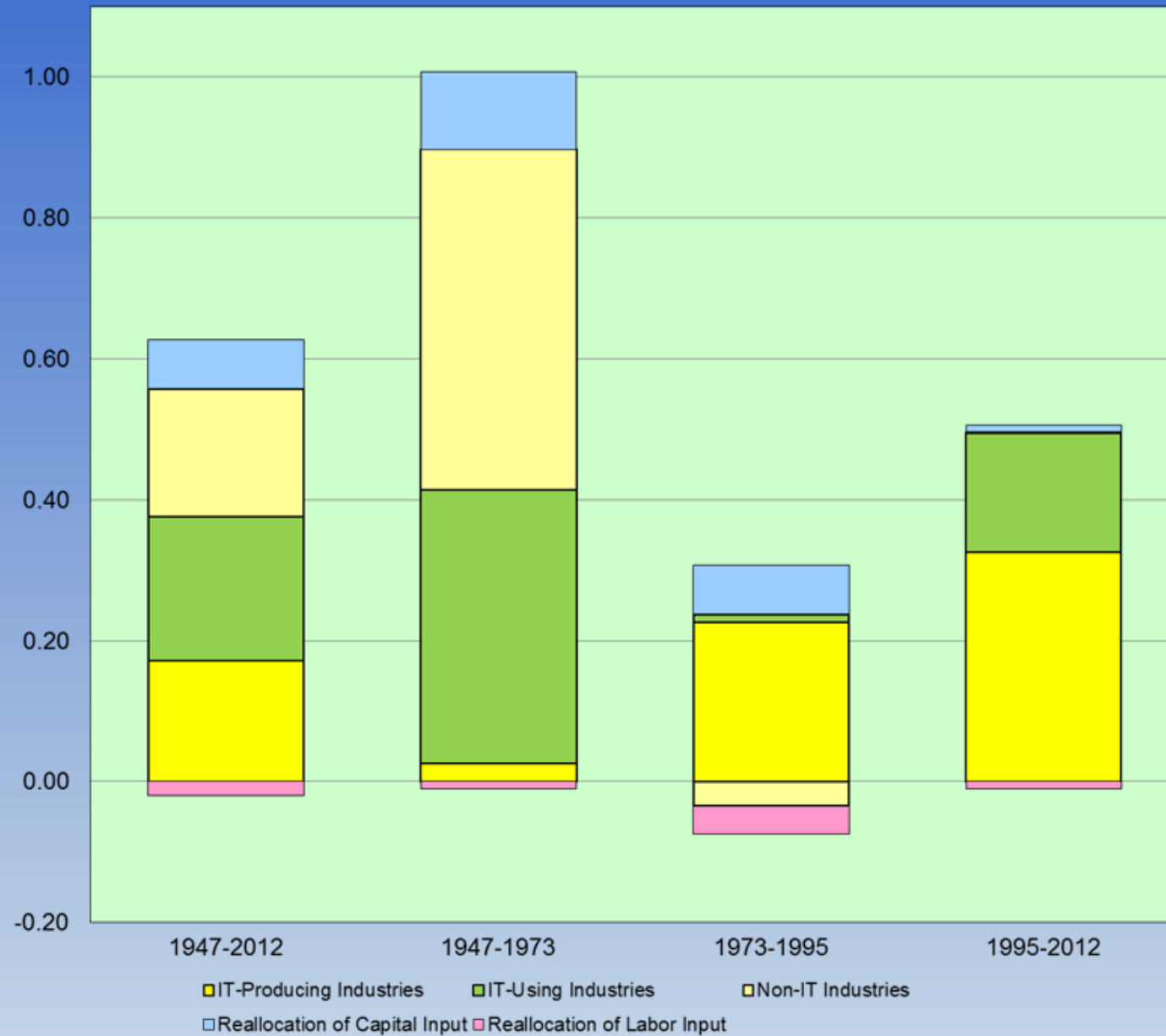
# Contributions of Industry Groups to U.S. Value Added Growth, 1947-2012



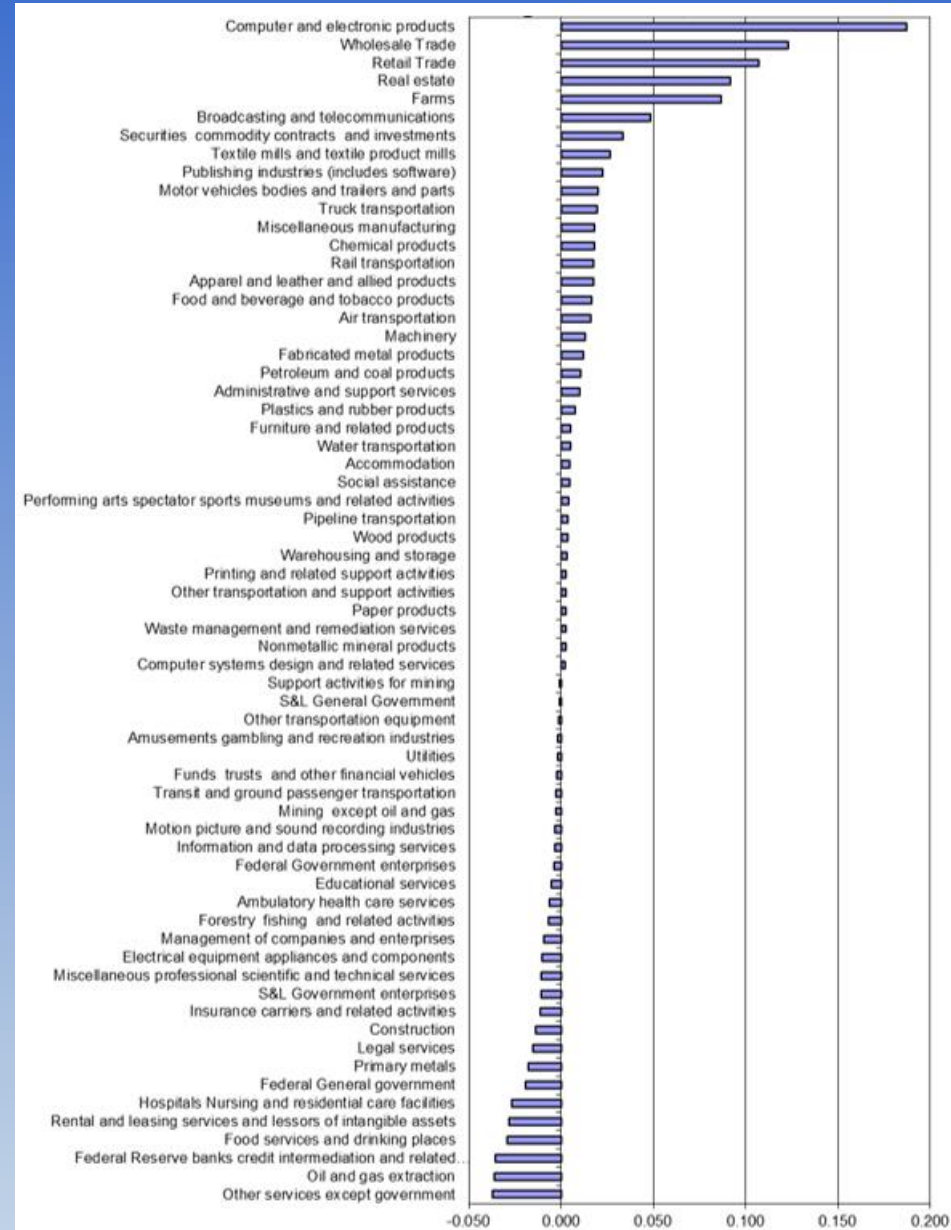
# Industry Contributions to U.S. Value Added Growth, 1947-2012



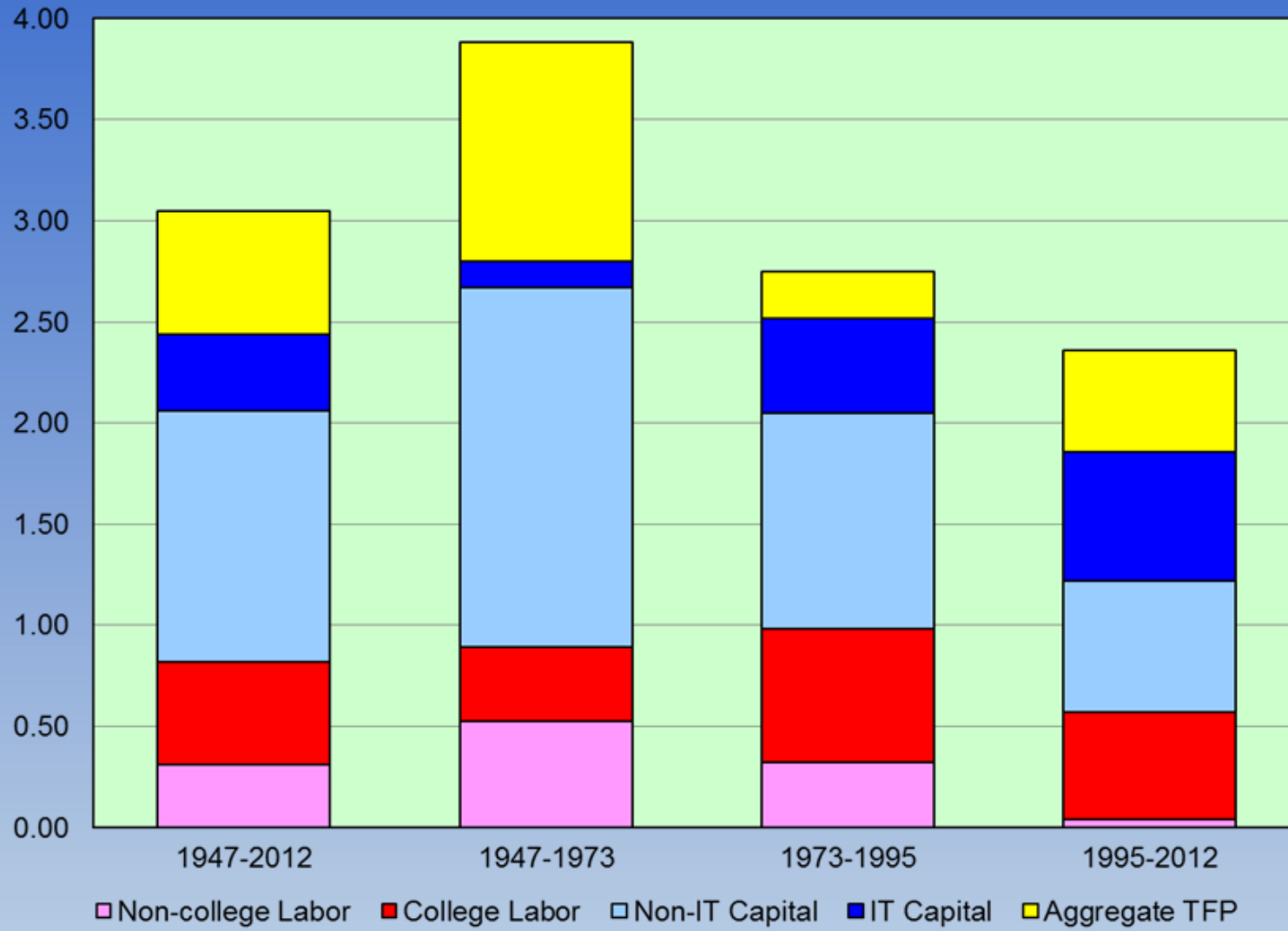
# Contributions of Industry Groups to U.S. Productivity Growth, 1947-2012



# 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

<b>EGALITARIAN</b>	<b>1948-2010</b>	<b>1948-1973</b>	<b>1973-1995</b>	<b>1995-2000</b>	<b>2000-2005</b>	<b>2005-2010</b>
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
<b>UTILITARIAN</b>	<b>1948-2010</b>	<b>1948-1973</b>	<b>1973-1995</b>	<b>1995-2000</b>	<b>2000-2005</b>	<b>2005-2010</b>
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**