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
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
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
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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Egalitarian</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard of Living</td>
<td>2.34</td>
<td>3.45</td>
<td>1.87</td>
<td>1.96</td>
<td>1.82</td>
<td>-0.27</td>
</tr>
<tr>
<td>Efficiency</td>
<td>2.16</td>
<td>2.67</td>
<td>1.97</td>
<td>2.65</td>
<td>2.03</td>
<td>0.11</td>
</tr>
<tr>
<td>Equity</td>
<td>0.17</td>
<td>0.78</td>
<td>-0.11</td>
<td>-0.68</td>
<td>-0.21</td>
<td>-0.37</td>
</tr>
<tr>
<td><strong>Utilitarian</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard of Living</td>
<td>2.24</td>
<td>3.09</td>
<td>1.90</td>
<td>2.20</td>
<td>1.93</td>
<td>-0.12</td>
</tr>
<tr>
<td>Efficiency</td>
<td>2.16</td>
<td>2.67</td>
<td>1.97</td>
<td>2.65</td>
<td>2.03</td>
<td>0.11</td>
</tr>
<tr>
<td>Equity</td>
<td>0.08</td>
<td>0.42</td>
<td>-0.07</td>
<td>-0.44</td>
<td>-0.10</td>
<td>-0.23</td>
</tr>
</tbody>
</table>
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