

Interpretive Policy Analysis – 11<sup>th</sup> International Conference  
Hull, 5-7 July 2016

# Beyond national accounting figures: how quantification practices reshape the state

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# Outline of the presentation

1. Introduction
2. Epistemological perspective and research questions
3. What is the “general government”?
4. Strategies implemented to circumvent these requirements and consequences?
5. Conclusions

# 1. Introduction

The screenshot shows the Eurostat website homepage. The top navigation bar includes 'Sign In | Register', 'Legal notice | RSS | Cookies | Links | Contact', and a language dropdown set to 'English'. The main header features the Eurostat logo and the tagline 'Your key to European statistics'. Below this is a breadcrumb trail: 'European Commission > Eurostat > Home'. The main content area is divided into several sections:

- News:** A section titled 'LATEST NEWS RELEASES' featuring a news release titled 'Euro area unemployment at 10.1%' dated 2016/07/2016. The text states: 'The euro area (EA19) seasonally-adjusted unemployment rate was 10.1% in May 2016, down from 10.2% in April 2016 and from 11.0% in May 2015. This is the lowest rate recorded in the euro area since July 2011. The EU28 unemployment rate was 8.6% in May 2016, down from 8.7% in April 2016 and from... more'. A blue circle highlights this news release.
- Data:** A section with three main options: 'Most popular tables', 'Complete database', and 'Apps & Tools'.
- Key figures:** A table and a line chart. The table shows the following data for 2015, EU:

Employment rate	At risk of poverty or social exclusion	Government gross debt	GDP
70.1%	24.4%	85.2%	1.7%

The line chart below the table shows the 'Employment rate % of population aged 20-64' from 2011 to 2015 for three countries: UK (orange line), EU (blue line), and CY (grey line). The UK rate starts at approximately 73% in 2011 and rises to about 77% in 2015. The EU rate starts at approximately 68% in 2011 and rises to about 70% in 2015. The CY rate starts at approximately 73% in 2011 and falls to about 68% in 2015. A blue circle highlights the 'Key figures' section.
- Release calendar:** A section with a 'Release calendar' link.
- Infographic:** A section titled 'Infographic: Slovak Presidency of the Council of the European Union'.
- Looking for information on a specific topic:** A grid of icons and text for various categories: General and regional statistics, Economy and finance, Population and social conditions, Industry, trade and services, Agriculture and fisheries, International trade, Transport, Environment and energy, and Science and technology.

# 1. Introduction

- Figures and indicators as **evidence** on which public policies are based
- A large share of these figures are defined national accounts systems, such as the European System of National and Regional Accounts (ESA)
- Since 1992, this “calculative infrastructure” serves as a common reference framework in order to determine whether member states comply with the **budgetary targets** set in the Maastricht Treaty
- More precisely, the “net borrowing” (i.e. deficit) and “consolidated gross public debt” of the “**general government**” are limited to respectively 3% and 60% of GDP → Essential to determine which entities are **included** and which are not

## 2. Epistemological perspective and research questions

- Miller' and Desrosières's **sociology of (national) accounting**:
  - Accounting categories are **social artefacts**;
  - Foucauldian legacy: national accounts as tools of government aiming to shape the 'conduct of conducts'
- **Two sets of research questions**:
  - I. What is the "general government"? In other words, what kind of institutions are submitted to these budgetary requirements?
  - II. Which strategies have been implemented by member states to circumvent these requirements? And how has this category evolved as a consequence?

### 3. What is the “general government”?

- Under ESA 79 (in force in 1992), individual units (schools, banks, etc.) were allocated into an institutional sector according to the **type of activity** they performed
  - General government units principally performed “the production of **non-market services** intended for collective consumption and/or in the redistribution of national income and wealth”
  - Different from **public corporations**, which are institutions that are controlled by the government but do not belong to the general government sector since they produce market services
  - Restricting “public” deficit and debt is a way of putting pressure on a very specific group of public institutions, namely **non market driven** ones
- EMU as a sectoral implementation of a wider **“disciplinary neoliberalism”** rationality aiming at reshaping the state “so that it operates in a more marketised way”

# 4. Strategies implemented to circumvent these requirements and consequences?

- National governments are reflexive subjects, responding to external pressure through the development of borderline practices (indirect privatization, retroactive accounting, etc.)
- Given ESA 79 lack of definitional precision, European has first started to create a “**statistical case law**”
- 1999: implementation of **ESA 95**:
  - Shift from “performed activity” to the “**nature of the producer**” as main classification criterion, reflecting the blurring of the boundaries between the respective spheres of action of public and private actors;
  - General government? **Both “public” and “non-market”**;
  - Market? Production at economically significant prices, i.e. sales covering more than 50% of production costs (“**quantitative criterion**”)

## 4. Strategies implemented to circumvent these requirements and consequences?

- Yet, considerable room for interpretation remained
  - Moreover, diffusion of NPM paradigm: mushrooming of specialized agencies, PPPs and *sui generis vehicles* → further clarification needed:
    - **MGDD** (complement to ESA) provides explanation and examples
    - **ESA 2010**: hardening of the market-test:
      - Strengthening of the “quantitative criterion”;
      - Introduction of a “**qualitative criterion**”: a unit that “has no incentive to adjust supply to undertake a viable profit-making activity” will be reclassified into the general government sector
- Competition is needed to be considered a market unit

# 5. Conclusion

- Gradual extension of the general government sector as the result of a **'program'/'anti-program' tension** between Eurostat and national government in the context of the EMU → **Timeless categories or concepts do not exist**: they are always embedded in material and political practices
- Suspecting member states of adopting opportunistic behaviours, Eurostat has **constantly refined – and strengthened** – the conditions according to which a public body could be considered a market unit, and therefore avoid budgetary requirements
- This **contingent definition** nonetheless exerts **far-reaching effects** on the object it aims at describing, as it clearly creates an incentive structure towards alternative, budgetary neutral or moderately priced modes of public service delivery

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