Beyond national accounting figures: how quantification practices reshape the state

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Outline of the presentation

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• 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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