

Sketch of Elements of a Measurement Theory of Economics as an Extension of the Current Sequence of SNA Manuals

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Paper Abstract:

Progress in developing ever more relevant manuals of national accounts seems to this author to require an overarching vision. This paper presents elements of such a vision.

Scalability and precision are important in several senses:

Questions of how to measure a(-ny) given economic phenomenon at its associated appropriate "scale" (e.g. micro versus macro, or time scale), as well as constructively pointing out how to develop quantified descriptions of uncertainties of specific measures, and other relevant questions should be able to be handled within such a visionary framework. The framework should also enable economic theorists (to be challenged) to define their concepts sufficiently precisely (within the framework) for falsification to be conceivably within reach of empirically working economists.

Teach-ability of the measurement theory is important:

The current SNA manuals are so voluminous that most economists actually are quite SNA-illiterate. Being the main conceptual bridge between macroeconomic theories and empirical studies this has boded ill for the division of labor among economists as a group. The envisioned framework needs to be helpful in remedying this sad state of affairs also. A limited number of "principles" which guides classifications and NA-analysis of (the elements of) a given economic phenomenon to arrive at the recommended NA-representation would enable students to learn the measurement theory (and the SNA) more effectively.

The reasonable requirements are many. The challenge needs to be met if the reputation of having a can-do ability of economists is to be regained.

The paper proposes sketches of many of the elements of such a framework of measurement theory of economics. Taken together a vision emerges.