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Towards an Update of the System of National Accounts: How Can We Effectively Deal with
Multinational Enterprises?

Jennifer Ribarsky

Michael Connolly

Padma Hurree-Gobin

Margarida Martins

Paul Roberts

Economic globalization is increasingly a challenge for macroeconomic statistics. In particular, the complex and flexible structures of multinational enterprises (MNEs) and the ease of shifting intangible capital across borders. The treatment of MNEs in the System of National Accounts (SNA) has led some to believe that statistics such as gross domestic product (GDP) and gross national income (GNI) are not as useful economic statistics as they once were. As part of the review of whether an update to the international standards is warranted, the Intersecretariat Working Group on National Accounts (ISWGNA) has launched a Task Force on the SNA Research Agenda. One of the subgroups of this Task Force is focusing on globalization-related issues. Of high priority, is a review of the treatment of special purpose entities (SPEs) and the economic ownership of intellectual property amongst an MNE group. This paper will discuss the options under consideration by the subgroup on globalization and explore the implications and potential impacts on the national and international accounts.