

Harvard professor speaks on productivity measurement and national accounts



Prof. Jorgenson delivering his lecture

The APO, in partnership with Keio Economic Observatory (KEO) of Keio University, organized a Productivity Special Lecture by Professor Dale W. Jorgenson at Keio University, Tokyo, on 15 January 2009. Professor Jorgenson is the Samuel W. Morris University Professor, Department of Economics, Harvard University, and is a world-renowned specialist in economic

theory and productivity measurement. This special lecture, the second in the APO-KEO Productivity Special Lecture series, was one element of the APO Productivity Database project (PDB). The project is a major APO research effort to construct a harmonized productivity database. The lecture attracted an audience of 60, comprising prominent government officials and economists, professors, researchers, and students as well as APO Secretariat and Japan Productivity Center for Socio-Economic Development staff.

APO Secretary-General Shigeo Takenaka gave opening remarks at the event, which highlighted APO research endeavors including the PDB project in collaboration with KEO. The remarks were followed by a presentation by Professor Koji Nomura, PDB project manager and chief author of the *APO*

Productivity Databook series. His presentation entitled A Survey of National Accounts in Asia for Cross-country Productivity Comparison explained how the PDB research was progressing and reasons for difficulties in conducting cross-national productivity comparisons.

Professor Jorgenson spoke on Productivity Measurement within a New Architecture for the US National Accounts: Lessons for Asia. Because the system of national accounts is a crucial vehicle for productivity analysis, and national accounts are part of the fundamental economic infrastructure, it serves as an ongoing report on the state of an economy. He outlined the background to the need for a new architecture for the decentralized statistical system in the USA. The original system of the US national accounts focused only on the current state of the economy and was not intended to analyze how to enhance economic growth. The new architecture is a result of concerted efforts to improve the consistency of National Income and Product Accounts. APO member countries can learn from the USA to enhance the quality of national accounts as basic economic infrastructure. More accurate productivity measurement and analysis based on consistent national accounts will enable the development of more effective economic policies.

Professor Jorgenson's lecture contained numerous insights that can be utilized by the APO in its think tank and regional advisory roles and in the field of productivity data measurement and analysis. APO research activities are meant to encourage widespread debate on how productivity contributes to economic growth, and the APO is envisioning more discussion fora in the future. 🌀