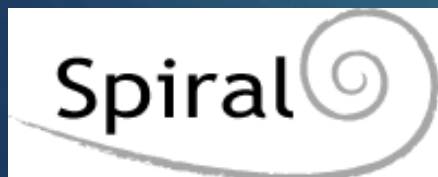


3rd edition of the Conference
'Belgium: The State of the Federation'
Brussels, 19 December 2014

THE POLITICS OF NATIONAL ACCOUNTING – ASSESSING WALLOON PUBLIC DEBT

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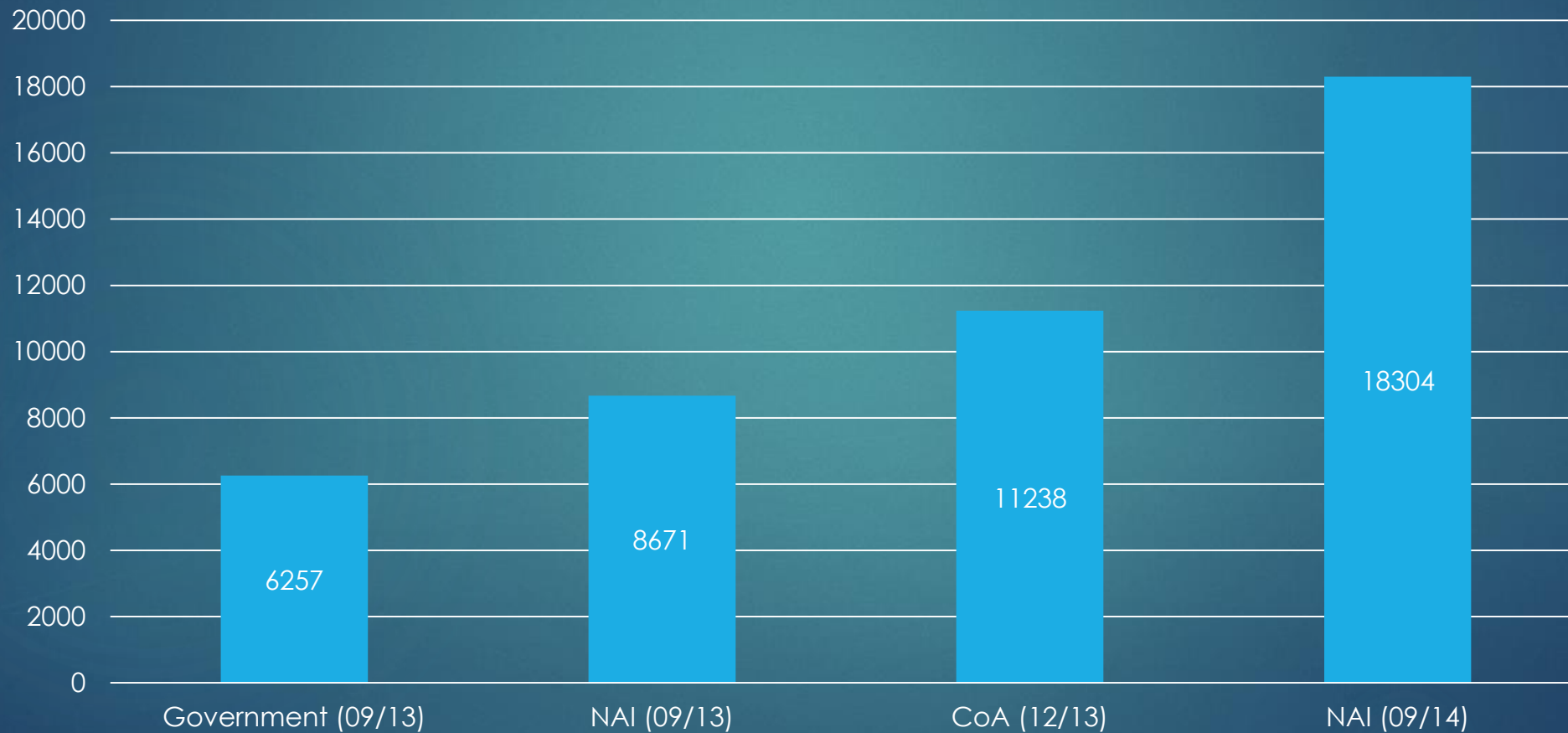


Introduction

- ▶ Piketty (2013, 2014): “social scientists in other disciplines should not leave the study of economic facts to economists”
- ▶ **Aim** of the thesis: public finance and **distribution of power**
- ▶ **Theoretical frame**: sociology of public action

Introduction

Walloon public debt at 31/12/2012 (in billion euro)

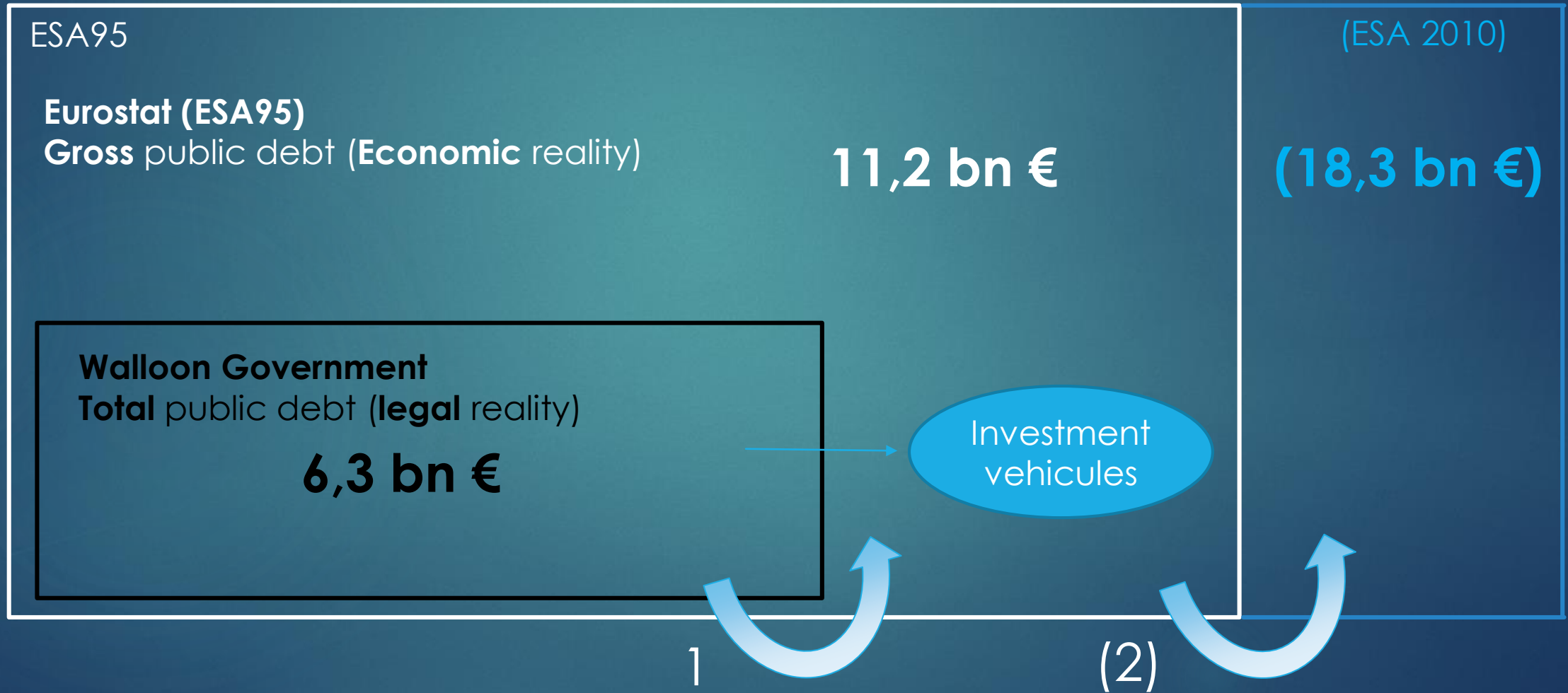


Introduction

- ▶ How can this gap of **more than 12 bn €** be explained?
 - Technical factors: about 6,5 bn €
 - Still a gap of more than 5,5 bn €...
- **Struggle** between Eurostat and the Walloon government: what is the **definition of « public debt »** ?

Two definitions of public debt...

What consolidation perimeter?



The process of translation

✓ **Actors followed:**

- Eurostat
- The Walloon Government
- The NAI
- The Court of Audit

✓ **The four moments of translation:**

- 1) Problematization
- 2) Interessement
- 3) Enrolment
- 4) Mobilization of allies

→ **Actors construct reality by constructing networks:** the more a network is **expanded and dense**, the more it is real

1st moment : problematisation

- ▶ **Questions** raised by Eurostat: is Wallonia's **consolidation perimeter** exhaustive? Does Wallonia **strictly** comply with ESA standards?
- ▶ What would be the result of a **systematical** analysis of the Walloon public debt through ESA standards?
- ▶ Need to create a **network of allies** in Belgium

2nd & 3rd moments : enrolment and interessement

- ▶ Several actors, **unequal success**:
- ▶ The NAI (dialogue visits):
 - **Problem**: lack of resources
 - Until 2014: **case by case** analysis and requalifications
- ▶ The Walloon Government:
 - Meeting in 2012
 - No fundamental change → **enrolment failed**
- ▶ The Court of Audit:
 - Different but close mission: cooperation with NAI?
 - Audit on Walloon debt (2013) → **enrolment succeeded**

4th moment: mobilization of allies

25th Report of the CoA to the Parliament of the Walloon Region

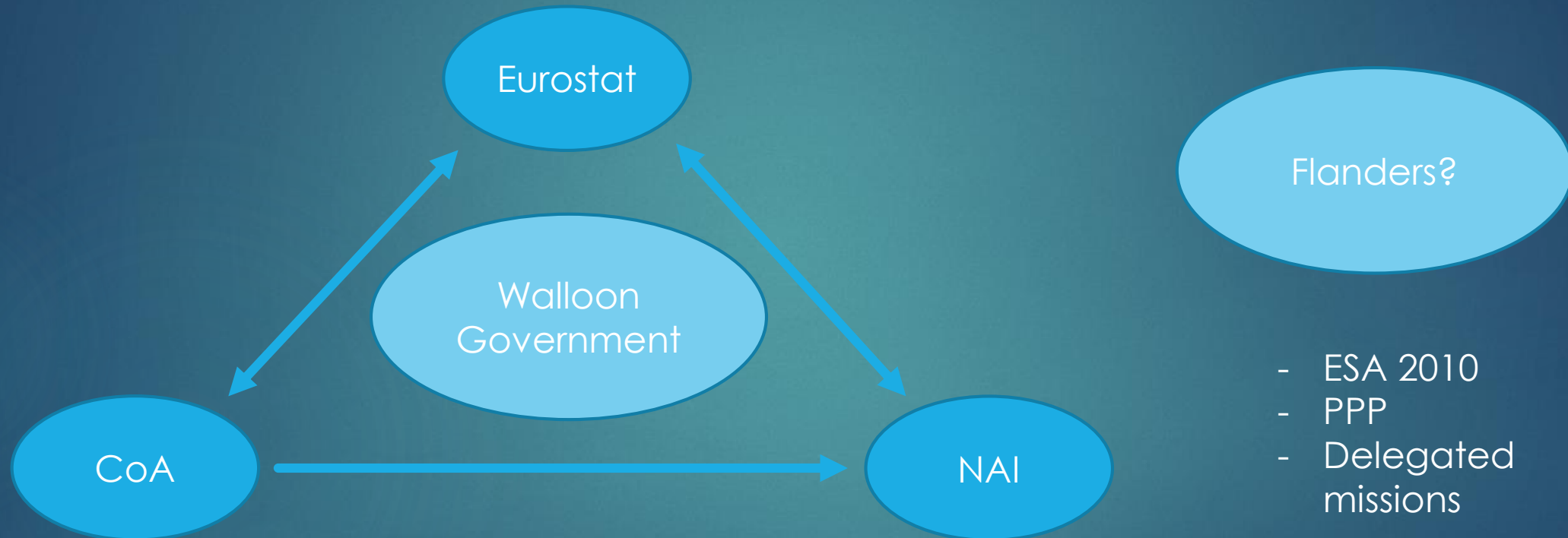
Wallonia's gross public debt at 31/12/12 (CoA 2014: 194)	Amounts (in mn euro)
1) Region's long term debt	7.128,7
a) Direct debt	5.459,9
b) Indirect debt	797,0
c) Other operations (FADELS' debt and Financial leasing operations)	871,8
2) Consolidated institutions' long term debt (delegated missions)	1.301,3
a) Consolidated institutions' debt	1.257,3
b) Financial leasing operations	44,0
3) Region's financial commitments (alternative financing)	2.808,0
a) Towards CRAC	2.197,4
b) Towards Sowafinal	610,6
Total	11.238,0

4th moment: mobilization of allies

10

- ▶ **Reactions?**
- ▶ **Eurostat** (February 2014 visit): in-depth analysis with the NAI
- ▶ **NAI**: massive **reclassification** of units
- ▶ Walloon Government:
 - Second meeting with Eurostat: threats of **reservation** → « *atomic bomb* »
 - **affected** by the mobilization of the « ESA network »

Conclusion: the ESA network



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