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Profile CPB

Profile CPB Netherlands Bureau for Economic Policy Analysis

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OECD, Rome
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Central Planning Bureau?

- Origin
 - ▶ Sept 1945: CPB in formation
 - ▶ Legally founded in 1947

- Never done any central planning

- Independent analyses relevant for economic policy

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We want to be...

- CPB Netherlands Bureau for Economic Policy Analysis
- A widely trusted source of independent economic analysis

Customers

- Government, ministries
- Parliament, political parties
- Trade unions, employers' associations
- Public debate (media, 'the taxpayer')

Organisation

- 140 full-time positions (160 persons)
 - ▶ 2/3 academic economists
 - ▶ Budget about 12 million euro

- Appointments
 - ▶ Director by Council of Ministers, no fixed term
 - ▶ Staff by director, independent from Ministry

- Supervision: Central Planning Commission
 - ▶ Experts from business and science

Formal position: government institution

- Agency of Ministry of Economic Affairs
 - ▶ Finance, personnel policy
 - ▶ Outside requests need Minister's fiat

- Access to confidential information
 - ▶ Budget, policy initiatives

- Public funding
 - ▶ About 10% project finance by Ministries, EU, OECD
 - ▶ No paid assignments from third parties

Independent without legal foundation

- Position established in more than 60 years
 - ▶ Working for parties in power and opposition parties
 - ▶ Coalition governments in the Netherlands
 - ▶ Broad range of issues: nearly all ministries

- Policy analyses
 - ▶ Free of charge
 - ▶ Confidential: report directly to customer (f.i. political party)
 - ▶ Publication after reference in public by customer

- Relevance: independent is not autistic
 - ▶ Respond to the needs of our customers
 - ▶ Formulate future needs (pro-active)

Widely recognized authority: quality is key for reputation

- Human Resources Management
 - ▶ Employees most valuable asset

- Transparency
 - ▶ Assumptions, instruments, results

- Active contacts with scientific community
 - ▶ Publications, academic partners

- Peer evaluations, 5 year frequency
 - ▶ Scientific evaluations
 - ▶ Policy relevance evaluations

Forecasts / scenarios

- Short term (1 or 2 years ahead)
 - ▶ Every quarter
 - ▶ September issue on budget day

- Medium term (4 or 5 years ahead)
 - ▶ Approximately every two years
 - ▶ Political cycle: at election time and “half-way”

- Long term (>20 years ahead)
 - ▶ No standard frequency
 - ▶ Changing focus (welfare state, infrastructure,...)

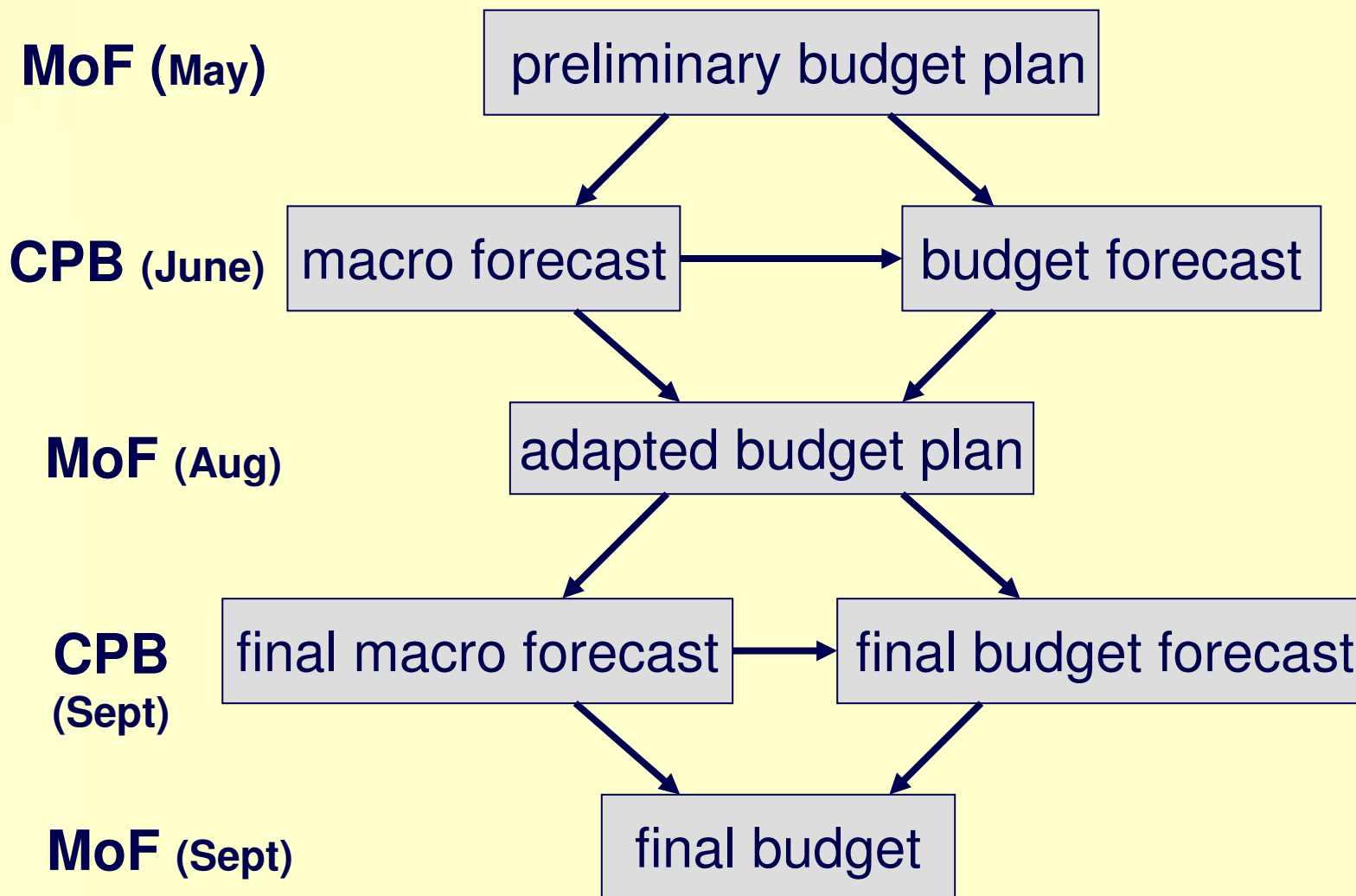
Budget Plan and CPB forecast

- Third Tuesday in September
 - ▶ Publication Budget Plan
 - ▶ Publication CPB's short-term forecast

- Two-way correspondence
 - ▶ CPB's economic forecast includes Budget Plan
 - ▶ Budget Plan includes CPB's economic forecast

- Only possible for forecast institute that is part of government

Budget process



Research themes

- National economy
- Labour market and welfare state
 - ▶ Employment, ageing, social security
- Knowledge economy
 - ▶ Education, innovation, productivity
- Competition and regulation
 - ▶ Energy, telecom, health care
- Physical environment
 - ▶ Cost-benefit analyses, agglomeration, housing
- International economics
 - ▶ Globalization, climate

Economic analysis of election platforms

- Consultation on concrete policy proposals
 - ▶ Consistency and plausibility check
- Analyse impact on
 - ▶ Public finances, medium and long term
 - ▶ Macro economy, purchasing power
 - ▶ Topics: education and innovation, environment
- Published before elections
 - ▶ Informs public debate
 - ▶ Basis for coalition negotiations after election
- Voluntary, no legal obligation

Preliminary Forecast, February 17, 2009,

	2008	2009	2010
GDP (% growth)	2.0	- 3½	- ¼
Private consumption (% growth)	1.7	- ¼	- ½
Investment (% growth)	9.7	- 11¼	-12
Exports (% growth)	1.4	- 11¾	1½
Employment (% growth)	2.1	- 1	- 3¾
Unemployment rate (% lab force)	3.9	5½	8¾
Government budget (% GDP)	0.9	- 2.9	- 5.4

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More information?

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