# The use of surveys for monetary and economic policy

Policy Panel

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### Surveys: a key input for policymaking

- Surveys have become « routine anchor points » in key instances of decision making
  - Eg. ECB
    - SPF for Inflation (alternative to yield curve indicators / forwards)
    - BLS for analysis of credit conditions
  - → They fulfil a *typological* function
- Sometimes they bear leading indicator properties
  - Timeliness vs reliability
  - Open question: early releases versus surveys (eg, for GDP / economic activity)
- Sometimes they even influence forecasts quantitatively
  - See comparisons of forecasts based on hard versus soft data
  - → Forecasts are a case for caution

## « Who runs the survey » : does it make Sciences Po. difference for policy making?

- Recent proliferation of DIY survey tools
- Pros and cons
- Key criterion: used to make predictions about a population?
  - Decision makers not always statisticians (and they don't have to)
  - So need for strict rules on data quality and representativity (by those who know the population best) → caution!
    - Survey design
    - Sampling
    - Questionnaires
    - Testing
  - → Investment in the quality of data creation often smaller than investment in research



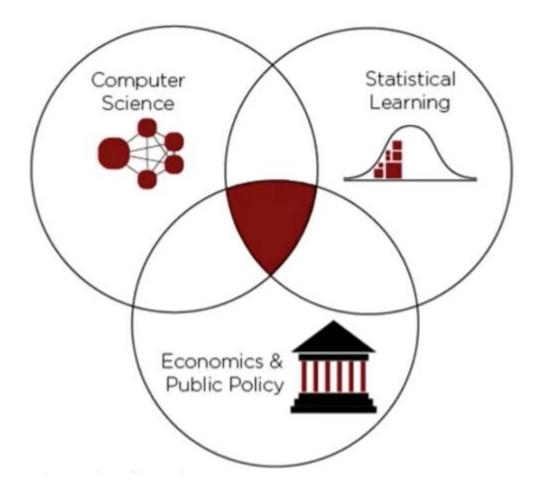
#### The one (survey) too much?

- Reporting requirements have been inflated
- Very true for regulated financial industry
- Also true generally (eg, extra-financial accounting)
- → reporting fatigue may lead to lower response quality (delegation, etc)



### The Venn challenge for policymaking

- Keep focus on policy question while being data-driven
- Keep up-to-date with evolving sources of information, methods, data – including surveys
- Scientific evidence-building in the broadening sources of data
  - Observational data
  - Text analysis
  - Big data
  - Image/geospatial sources
- → Surveys hybridated?
- → Ethical dimension?



Source: A. Engler (U. Chicago)