

Balance Sheets: A Financial/Liability Approach

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Paper Abstract:

A rather common view is that academics and other economic analysts do not fully comprehend the whole potential of the SNA national accounts. The SNA is often not seen as the prevailing tool for economic analysis. Reasons are among others that the System is considered to be targeted mainly to administrative uses such as for fiscal policy and international comparisons and that the architecture of the System is more or less cut in stone.

My experience is that there is lack of knowledge among academics in the area of saving, wealth and to some extent also income about SNA concepts; e.g. the narrow definition of income and savings.

Maybe the potential users of the SNA national accounts should be encouraged to be more flexible and experimental. Still, it's very important to stick to definitions of units and concepts. But it should nevertheless be possible to rearrange accounts and compile alternative aggregates and balancing items. Thereby it will be possible to build accounts that satisfy your special needs.