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ACCOUNTS

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and Richard Ruggles, *Yale University*



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PREFACE

National income accounting has evolved from the combined efforts of economists in universities, research organizations, national governments, and international organizations. The results of these efforts have been discussed at the conferences of the International Association for Research in Income and Wealth and the Conference on Income and Wealth sponsored by the National Bureau of Economic Research. This present study synthesizes many of the ideas presented at these conferences. In addition, the system of national accounts developed for the Yale Economic Growth Center as a framework for their studies of less developed countries has provided a testing ground for a number of the ideas presented.

The immediate impetus for this study was the proposed revision of the United Nations System of National Accounts, which has stimulated discussion of this topic. It is clear that the present form of national economic accounting should be revised; the purpose of this study is to examine both the present United States system and the proposed United Nations system in the light of specific needs for new concepts, new types of information, and the potentiality of data processing provided by the newer computer technologies.

We are especially indebted to George Jaszi of the Office of Business Economics of the U. S. Department of Commerce and his staff; in particular, Irving Rottenberg, Chief of the National Income Division, saved us from making a number of serious errors and John Gorman was very helpful with the treatment of financial transactions. We owe a great deal to John Kendrick and his work at the National Bureau of Economic Research on the conceptual changes and the broad economic constructs.

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In a number of cases, we have relied heavily on both his concepts and his estimates, which are not yet published.

Many people at the National Bureau of Economic Research have contributed to this work. Two staff reading committees, consisting of John Kendrick, Richard Easterlin, Victor Fuchs, David Kresge, and Peter Temin, reviewed earlier drafts of the manuscript and made helpful suggestions. Boris Shishkin, Robert A. Charpie, and Thomas D. Flynn, members of the Board of Directors' Reading Committee, were particularly helpful in their comments. We also thank Virginia Meltzer, who edited the manuscript.