

Editorial

National accounting is at the centre of economic statistics. For several decades now, two major conceptual frameworks for national accounting exist internationally. The System of National Accounts (SNA) was originally elaborated during the early fifties and revised substantially in 1968. It provides an accounting system for market economies. The System of Statistical Balances of the National Economy (MPS) is its analogue for centrally planned economies.

Periodical revisions and updating are necessary for the accounting systems as for any other conceptual tool. The UN Statistical Commission is responsible for the revision of SNA. A thorough report of the review of the presently valid version of SNA was published earlier in this Journal (see volume 2, numbers 2 to 4). The revision of MPS was conducted in the framework of the Council for Mutual Economic Assistance. The revision of the Basic Principles of the System of Balances of the National Economy was approved and recently published.

The current revision of SNA gives rise to a reconsideration of basic issues, both organizational and substantive. One of such topics under discussion concerns the relationship between market transactions that can be recorded without having recourse to imputations and attributions (reroutings) and those that cannot be so recorded. Obviously, the SNA being a system of accounts reflecting market economies, recorded market transactions occupy an outstanding place and constitute in many ways the core of the system. One possible line of approach therefore would be to refer all imputations and attributions to modules or building blocks which would be attached to the core of recorded transactions. The contribution by Van Bochove and Bloem elaborates on this basic setting. It corresponds to the aim of clearly identifying imputations and attributions separately in the system. The ongoing discussion of the Van Bochove and Bloem proposals concentrates on the question whether or not a modular system of the type conceived by these authors is sufficiently closed and coherent so as to present a fully satisfactory picture of a central accounting framework. The alternative option would be to develop a non-modular, i.e. integrated central system, which could be supplemented by a series of tables. The subjects of the tables could be either the detail of attributions and imputations, or market transactions from which attributions and imputations are eliminated.

If the preceding issue could be called “organizational” in nature, the following is clearly substantive. SNA encompasses production as well as income and outlay accounts. The former are cast in terms of economic activities, while institutional sectors are used as statistical units for the purposes of the latter. However ingenious a system of the SNA type could become, some “dual sectoring” will probably always occur. Consequently, the reconciliation between the correspond-

ing two major parts of the system becomes a problem. As the success of the currently valid solution is doubtful, it is natural that the revision of SNA provides for an occasion to review the problem at stake and propose improvements. The contribution by Al deals with this thorny issue.

The SNA, among other things, is a reference framework for all those who have to ensure the internal consistency of the system of economic statistics. Similar functions can *inter alia* also be performed through the compilation of input–output tables. This partial congruence of purposes and uses is recognized in the current version of SNA, which includes a number of prescriptions—mainly regarding classification and valuation—which were not commonly used in input–output schemes at the time of the 1968 SNA revision. Owing to their potential for integration of data from dispersed sources in a coherent framework, input–output tables can play an important role in the production process of national accounts. Their role could be the more important, the more the underlying concepts for the tables are derived not only from the requirements of input–output analysis, but also from those of national accounting. The Szybisz article included in this volume deals with the related problems, which are similar in nature in both systems SNA and MPS.

Another common topic of the two systems relates to the compilation of accounts and balances in constant prices. The two basic methods used in this respect are (i) direct evaluation of flows at prices of a base year and (ii) deflation with the help of suitable price indices. The two methods of course yield different results, as structural shifts are treated differently in the two methods. The article by Al, Balk, de Boer and den Bakker discusses the use of chain indices for deflating national accounts and propose a number of improvements in this regard.

The adjustment of data from one system, SNA or MPS, for conceptual peculiarities of the other is a particularly interesting exercise. The Conference of European Statisticians provides an “umbrella”, under which such adjustments have been carried out through direct bilateral statistical co-operation of member countries. A first project was implemented by national accountants from France and Hungary. In a second study, Bulgaria and Finland have undertaken to produce MPS-type accounts for Finland and SNA-type accounts for Bulgaria. Like the previous French–Hungarian study, the Bulgarian–Finnish exercise produced a host of indications of type and magnitude of the impact of conceptual differences between the two accounting systems. As a consequence, the comparisons are also useful for those who want to approach the revision of the systems from the point of view of enhanced possibilities for international comparisons. Such comparisons are also being done nationally, as the article by Martynov demonstrates. However, the methods used nationally may differ from the international procedures.

National accounts are certainly the most developed and sophisticated models which underlie the production of national statistics. The present issue of the Statistical Journal is confined to a number of basic questions, which are currently under reconsideration, as the revision of SNA is gathering momentum. The

Statistical Journal will include further contributions to this important discussion in future issues.

The Editor