A BALANCE SHEET OF
THE NATIONS ECONOMY.

By
Frank, & Dickinson
AND
Franzy Eakin.
BUREAU OF BUSINESS RESEARCH
COLLEGE OF COMMERCE AND BUSINESS ADMINISTRATION

A BALANCE SHEET OF THE NATION'S ECONOMY

BY
FRANK G. DICKINSON
AND
FRANZY EAKIN

BULLETIN No. 54

PUBLISHED BY THE UNIVERSITY OF ILLINOIS, URBANA
1936
It is the purpose of the Bureau of Business Research of the University of Illinois—

(1) to study and as far as possible to explain economic and industrial conditions within the State;

(2) to direct attention to experience-tested practices of good business management; and,

(3) to investigate methods for securing the best executive control of business.
A BALANCE SHEET OF THE NATION'S ECONOMY

BY

FRANK G. DICKINSON
DEPARTMENT OF ECONOMICS
UNIVERSITY OF ILLINOIS

AND

FRANZY EAKIN
COMPTROLLER, A. E. STALEY MFG. COMPANY

Published by the University of Illinois, Urbana
1936
PREFACE

The scientific analysis of economic statistics and the careful preparation of accounting data of course antedate the World War. But that period of intense activity and long-felt results gave a new stimulus to the previously slow development of both statistics and accounting as scientific instrumentalities. Two technics have grown up, as it were, side by side, yet without much interchange. But accountants are coming to realize that their art is, in some respects, purely a statistical operation, that of recording and classifying data, and that most of the items reported in the financial statements constitute data for statistical series of very great importance. Economic statisticians on their side are becoming aware of the rich data-source which lies undeveloped in accounting.

When an economist who teaches statistics and a certified public accountant who lives his accounting as the comptroller of a large enterprise are closely associated for some time, it is not unlikely that, sooner or later, these developments will enter into their discussions, and that presently the possible union of statistics and accounting for certain purposes will suggest itself. Out of such discussions comes the present sketch of an area wherein the union of these two technics may easily establish a new high-water mark in the development of both fields of study.

Accountants will recognize the arrangement of the data in the proposed “National Balance Sheet and Income Statement” as the familiar working papers for compactly expressing the opening balance sheet, the closing balance sheet, and the interim transactions that explain the changes revealed. Statisticians will recognize the data used as drawn from familiar statistical sources with considerable freedom. The insufficiency of present-day statistical sources for any such comprehensive purpose will be made evident in the text.

Perhaps the time will soon come when national statistics may be assembled for the specific purpose of a coordinated display of the state of the nation; perhaps we are even now on the verge of a period of better understanding and mutually profitable interchange of ideas by accountants, statisticians, and economists. If this brief preliminary survey of the possibilities shall be even a small stimulus toward the accomplishment of such ends, the authors will feel amply repaid.

Throughout the study the term “Economic Planning” has been avoided because it has so many possible meanings. In its stead, the
words "Economic Coordination" and "Economic Proportionality" have been employed. In this way it is hoped to avoid possible confusion of thought.

We wish to acknowledge our indebtedness to the Bureau staff for their help in editing the manuscript.

FRANK G. DICKINSON
FRANZY EAKIN

September, 1936.
# TABLE OF CONTENTS

I. Economic Coordination .......................... 7
II. A National Balance Sheet ......................... 9
III. An Experimental Sample .......................... 12
IV. Sources ........................................... 26
V. Explanation of Items in Balance Sheet and Income Statement ........................................ 27