

**BUREAU OF BUSINESS RESEARCH**

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**A BALANCE SHEET OF THE  
NATION'S ECONOMY**

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## 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.

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