

PREFACE

THIS volume contains a selection of the papers presented at the Third Conference of the International Association for Research in Income and Wealth which was held at Castelgandolfo, near Rome, from 1st to 6th September 1953. As on earlier occasions the Conference was devoted to the discussion of a number of separate topics. The papers from the Conference published in this Series will appear in two volumes of which this is one. *Series V* will contain papers relating to Economic Growth and may be regarded therefore as a sequel to *Series II*.

Three of the main topics discussed at the Conference are represented in this volume; namely, Model Building in Relation to the National Accounts, the Measurement of Real Product over Time, and International Comparisons of National Product. The first of these topics, which has long been of interest to economists, may be said to have a special interest for those engaged in the study of income and wealth for the following reason. In the past discussions of concepts, definitions and classifications in national accounting and of their empirical correlates have been conducted largely with the object of translating into manageable and consistent terms ideas which are basic to economic studies without any systematic empirical checking of the consequences of the principles and conventions evolved. Since social accounting data form the backbone of most aggregative economic models it seems reasonable to hope that the use of alternative concepts, definitions and classifications in such models may provide an important new criterion in national income methodology which may point the way to more appropriate concepts or provide better reasons than at present exist for some of the conventional treatments which are now widely accepted.

The second and third topics mentioned above both relate to the problems of constructing price and quantity index numbers within a social accounting framework. The making of comparisons in real terms over time and over space are matters which have engaged general interest in recent years and, with the growing use of social accounting data for policy purposes and the improved basis for such studies made possible by the general improvements in economic statistics, in recent years, no

explanation is needed for the attention which has been paid to these comparisons by the Association at its Conferences.

This volume also contains four other papers submitted to the Conference at the invitation of the Programme Committee. One, by Raymond Goldsmith, reports his work on the construction of a national balance sheet for the United States and in some respects may be regarded as a sequel to his paper in *Series II*. Two, by Messrs. Jackson and Marczewski, relate to national income statistics and the use of the national accounts in Eastern Europe. Finally, G. Stuvcl has contributed a paper on the use of the national accounts in economic analysis, a subject which is closely related to the construction of economic models.

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