DYLAN RASSIER, MELISSA BRAYBROOKS, JASON CHUTE AND HOWARD KRAKOWER: QUASI-CORPORATIONS AND INSTITUTIONAL SECTORS IN THE U.S. NATIONAL ACCOUNTS

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Discussant:
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Main topic of the paper

• Institutional sector accounts describe income, expenditures, investments and finance for (institutional) sectors (corporations, government, households, etc.)

• NIPA-classification differs substantially from the classification according to SNA 2008

• This hampers international comparison, although US BEA provides data according to SNA-definitions as well

• Paper discusses the main differences between NIPA and SNA
Sectors according to SNA

• Basic unit for grouping = institutional unit
  – Entitled to own goods or assets in its own right
  – Able to take economic decisions
  – Able to incur liabilities on its own behalf
  – Complete set of accounts, including balance sheets

• Two main types of institutional units
  – Households
  – Units with independent legal status: legal or social entities

• However, delineation of quasi-corporations
Sectors according to SNA

Groupings based on functions in the economy:

- **S.11: Non-financial corporations**: Corporations principally engaged in the production of non-financial market goods and services
- **S.12: Financial corporations**: Corporations principally engaged in the production of financial market services
- **S.13: Government**: Institutional units engaged in the production of non-market goods and services, and redistribution of income
- **S.14: Households**: (Groups of) persons who share the same living accommodation, including unincorporated enterprises
- **S.15: NPISHs**: Non-profit institutions producing non-market goods and services, not controlled by government

- Important distinction: market versus non-market
Sectors according to NIPA

• Production measures:
  – Business
  – General government
  – Households and institutions

• Income measures:
  – Corporate
  – Government
  – Personal

• Note: Classification for some type of units differs between production and income measures
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Contents of the paper

• Discussion in quite some detail of the various differences between NIPA and SNA, for each of the groups
  – Legal status
  – Market or non-market (50%-criterion)
  – Data availability

• Paper also contains various graphs with quantifications of the differences
Future work

• Separate income measures for sole proprietorships and partnerships (please explain why?)
• Need to have a further look at current classification of federal enterprises, and the **delineation of certain unincorporated enterprises as quasi-corporations**
• Need to have a full articulation of economic accounts for “special districts”, including **possible delineation of dependent agencies as quasi-corporations**
• Further analysis of non-profit institutions: reconciliation of data sources, market versus non-market, and control
Profit shares across countries

Operating surplus as % of value added at factor costs, non-financial corporations
Profit shares across countries

Operating surplus as % of value added at factor costs, non-financial corporations

- Germany
- United Kingdom
- France
- United States
- Italy (adjusted)
Discussion

• I very much liked the paper, if only for the analysis of differences between NIPA and SNA 2008 => very helpful for international comparisons

• What exactly is the goal of this analysis: alignment of NIPA to international standards, if only for international data deliveries?

• How do the authors look upon quasi-corporations? Have a classification according to legal status, with a few exceptions for units without legal status? Or have a broader delineation of quasi-corporations? Take, for example, general partnerships on page 27
Discussion

In respect of the latter, I wonder how “proprietor’s income” is defined in NIPA. Does it exclude an imputed income for labour input of the owner/self-employed?
Thank you for your attention!