The United Nations System of National Accounts (SNA) has been an evolutionary development over a period of fifty years. It was born in the world of macroeconomics, but statistically its roots have been in the data relating to individual decision-making units of the economy. Since its inception, both the complexity of the economic system and the concern with social problems have increased. Currently, governments are faced with the need to evaluate both the macro and micro aspects of their policies relating to old age entitlements, health care, education, the environment and poverty. The national accounts alone are not sufficient for this task. Both the need and the technical feasibility of linking the macro framework with micro data have increased. The following discussion attempts to trace the evolution of the system with respect to the macro/micro linkage and to indicate how the macro accounts and micro data bases can be integrated.
12.1. The U.N. SNA View of Micro Data


Before World War II, national income concepts consisted of various macro constructs relating to national output, final sales, and income payments. The split between macro and micro theory was reflected in empirical terms by the macro estimates of national income concepts and the detailed micro data collected from enterprises, households, and government by statistical and administrative agencies.

The technology used for data processing prior to World War II precluded any significant use of micro data in the estimation of national income. Punch cards were used to reduce the large masses of detailed micro data into more manageable sets of summary cross-tabulations. Those estimating national income prided themselves on their ability to piece together diverse and often fragmentary sets of information to derive their estimates of aggregates. A wide variety of statistical sources were used to provide the basic estimates. For example, tabulations by statistical and regulatory agencies of the value of product or sales for various industries provided the basis for estimating output. Social security and labor force tabulations were used for estimating wages and salaries originating in various industries, and tabulations of financial data and tax returns provided information for estimating interest and property income.

12.1.2. The 1947 U.N. Proposal and the 1952 SNA

In 1947 Richard Stone on behalf of the United Nations proposed a radically different approach to national income measurement (United Nations, 1947, p. 23):

It has come to be realized that for different purposes certain related but distinct aggregates are useful and that beyond a given point it is only possible to specify a unique set of operations to define the content of one of these aggregates by adopting certain conventions.

This view based upon experience is reinforced since the ideas can be expounded and presented more lucidly if the elementary transactions rather than the final aggregates are made the starting point of the enquiry. Transactions, whether actual or imputed, take place between accounting entities such as business enterprises and individuals, and the accounts of these entities are much easier to grasp than the consolidated accounts of the whole system.