AN INTEGRATED SYSTEM OF SOCIAL ACCOUNTS FOR AN ECONOMY OF THE YUGOSLAV TYPE

BY BRANKO HORVAT
Yugoslav Institute of Economic Research

The system of social accounts described in this article is based on the following five principles:

(1) Producers of goods and services are working organizations which represent groups of people or individuals organized for the purpose of earning a living by producing goods and services that satisfy individual or collective needs. Business, government, profit and nonprofit, corporate and unincorporated working organizations are treated in a uniform way.

(2) Since the behaviors of the market and non-market sectors differ considerably, these two sectors are consistently separated throughout the accounting system.

(3) There are four basic activities: (*a*) production, (*b*) consumption, (*c*) investment, and (*d*) income redistribution. These call for four separate accounts: (*a*) Working Organizations, (*b*) Households, (*c*) Community, including government and certain non-government institutions, and (*d*) Accumulation. The fifth account, Rest of the World, serves for balancing purposes.

(4) The same classifications of transactions are used for activities and institutions, making possible complete matching of social product and financial flows accounts.

(5) The system strives to achieve the maximum analytical flexibility. Some of its possibilities are visible from the classification of industries: A. Market (Material) Sector: I. Agriculture, II. Forestry, III. Mining and Manufacturing, IV. Construction, V. Transportation, VI. Trade and Catering, VII. Handicrafts; B. Non-Market (Non-Material) Sector: VIII. Housing and Communal Economy, IX. Education, Culture, and Social Welfare, X. Public Services Social Organizations (Political, Religious, etc.), Finance and Insurance, Public Administration and Judiciary, National Defence. Sector A corresponds to the material definition of social product. Sectors A + B correspond to the SNA definition. Sectors A + B minus Industry X reflects the welfare definition. Further, Industries I–IV produce goods, V–VII market services, VIII and IX non-market services with welfare content, X intermediate nonmarket services, V–X all services.

PRINCIPLES

Social accounting, as any other accounting, has to be adapted to the technological characteristics of the process described by the accounts as well as to the specific institutional arrangements. There are certain characteristics of social production that are common to all types of social organizations. There are other characteristics that are specific for certain socio-economic arrangements. In order to be useful as an analytical tool and a planning instrument, social accounting has to take full account of both facts. The present system of accounts and tables is based on the following five principles.

1. *Working Organizations.* The Yugoslav Constitution uses the term "working organizations" for any group of people organized for the purpose of earning a living by producing goods and services that satisfy individual or collective needs. All working organizations are run by their members according to certain basic rules of self-management autonomy guaranteed by the Constitution. What has been said applies also to individual producers who can be considered as one-member working organizations. All working organizations earn

income, in principle have bookkeeping with profit-and-loss accounts, and distribute income among members according to internal rules determined by their self-governing bodies.

The idea of the Constitution is that the workers in a factory, the teachers in a school and the employees in a government office are fundamentally equal in their capacities as producers. This equality is sought through the establishment of a fundamentally equal social organization of work and the provision of an adequate material basis for the organizational autonomy. The latter fact is directly relevant to the construction of a social accounting scheme.

It follows that our accounting has to treat all working organizations in the same way. Thus there are no government enterprises, nor any other government productive activities. It is only the working organizations that appear as producers in our system.

2. *Market and non-market sectors.* Although equal as producers, the working organizations do not behave in the same way in their economic activities. The basic difference comes from the fact that for some goods and services there is a market, and for others there is none. As usually, there are also intermediate cases that call for certain arbitrariness in classification. The working organizations in the market sector produce goods and services that are sold in the market, exported and imported, and have their internal and world prices which allow construction of price indices and deflation of nominal values into series of real outputs. By contrast, the working organizations in the non-market sectors mostly do not "sell" their services; the supply of services is mostly not determined by profit considerations; price indices are difficult or impossible to compute; and international exchange is negligible. It so happens that—with insignificant exceptions—the market sector produces material output (interpreted in its usual sense, i.e., including transportation and trade of goods), while the non-market sector produces non-material services.

It follows that our production account will have two separate parts describing market (material) and non-market (non-material) output.

3. *Basic activities.* Four basic activities can be distinguished in our system:

(*a*) production
(*b*) consumption
(*c*) investment
(*d*) income redistribution

The first three activities are treated in the same way as in the Standard System of National Accounts. The fourth one is characteristic for our system. The Government, the banks, the insurance institutions, as such are not producers. As institutions they are only instrumental in transferring money from one place to the other, from one working organization to the other.

Four activities call for four separate accounts which according to the actors shall be called: Working Organizations, Households, Community (including the government and certain non-government institutions) and Accumulation. The fifth account, Rest of the World, serves for balancing purposes.

4. *The unchanged definition of sectors.* An efficient integration of accounts requires that transactions be grouped in the same way throughout the system.

In this respect the basic difficulty consists in matching social product accounts, classified by activities, with financial flows accounts, classified by institutions. In our system the activity and the institutional classification of transactions prove to be the same.

5. *The analytical flexibility of the system.* It is highly desirable that our production account (social income and product aggregates) be directly comparable to the production accounts of the two basic present day systems, namely to the systems based on material product and on comprehensive output definitions. Since our production account has two separate parts, their comparability is immediately achieved: the market part is identical with the material product, the market and non-market parts, summed up, are equal to the SNA definition of social product.

However, neither the material nor the comprehensive definition of social product satisfies a welfare definition of social product. The material definition is too narrow, and the comprehensive one too wide. It is clear that non-material activities such as education or medical care have a welfare content too. It is also clear that other activities, such as government administration and police, represent operational costs of the system—in the same way as the administrative costs of a firm are costs and not an addition to output—and as such have no welfare content; the smaller the bureaucratic apparatus the better we are, *ceteris paribus*. The question of a welfare definition of social product has been extensively discussed elsewhere.[1] Here I may add that this is not just an academic question, but a problem of great analytical importance, especially in underdeveloped countries where there is a strong tendency to increase social product by expanding the number of Government employees. In the next section I shall show how the welfare requirement is met by our system.

The Classification of Industries

All industries are classified into two sectors, market and non-market, in the following way:

A. Market (Material) Sector
- I Agriculture
- II Forestry
- III Mining and Manufacturing
- IV Construction
- V Transportation
- VI Trade and Catering
- VII Handicrafts

B. Non-market (Non-material) Sector
- VIII Housing and Communal Economy
- IX Education, Culture and Social Welfare
- X Public Services
  - Social Organizations (political, religious, etc.)
  - Finance and Insurance
  - Public Administration and Judiciary
  - National Defense

1. Cf. B. Horvat, *Towards a Theory of Planned Economy*, Yugoslav Institute of Economic Research, Beograd, 1964, ch. 11.

Sector A corresponds to the material definition of social product as applied by a certain number of national statistical offices. A + B corresponds to the SNA definition. A + B − X reflects the welfare definition.

The above classification scheme is not without objections or certain inconsistencies. For instance, hotel business and personal services, included in industries VI and VII, cannot be considered guilty of material output. On the other hand parts of housing and entertainment (VIII and IX) are ordinary businesses. However in civilized countries communal economy with housing and culture are usually socially controlled and not regulated exclusively by the market. This fact justifies their inclusion in Sector B.

Finance and insurance require a word of explanation. These are certainly non-material activities, but they are also partly or mostly business activities. Their inclusion in Sector B is justified by the following considerations: (1) central banks and national insurance schemes are neither profit motivated nor regulated by the market; (2) a century or two ago the central bank was just a private bank; today even private banks are being integrated in a national banking system which acts as a prolonged arm of the treasury; this tendency manifests itself even more strongly in a planned economy; (3) the interest rate is not a price for the service rendered by the producer called bank but an instrument for achieving market equilibrium; thus interest should be treated as a transfer, like taxes, and not as a cost of production. These three features are common for both financial and government activities, and that is why these activities are grouped together. In recording transactions the following procedure is used: interest, insurance premiums and taxes are first transferred from the production account of the working organizations to the community account, and then this money serves to finance the services of the working collectives of banks, insurance companies and government offices. It is important to distinguish the redistributive *function* of financial and government *institutions* (banks and treasury) from the *activities* of *working collectives* performing services for these institutions.

For reasons which will become clear when discussing input-output tables, mining and manufacturing will be disaggregated into the following eight complexes:

1. Power generation
2. Metallurgy
3. Metal complex
4. Non-metal complex (stone, cement, glass, etc.)
5. Chemical complex
6. Wood complex
7. Food complex
8. Textile, Leather, Rubber products

These complexes can further be combined with industries I–IV in order to get vertically integrated complexes suitable for planning and analysis.

Social Product Accounts

In the Appendix social accounts are given for the year 1964 in terms of aggregated transactions. The disaggregation of transactions will not be described in the present paper.[2] The properties of such systems are by now well known. Thus, in order to save space, I may be allowed to concentrate attention only on a certain number of specific details.

The following three distinctions are consistently made throughout the system:

(*a*) the distinction between paid and imputed transactions

(*b*) the distinction between individual and collective producers.

(*c*) the distinction between market (material) and non-market (non-material) output.

The first distinction is important in an economy where almost one half of the working population are peasants, and where about 40 per cent of the output of the peasants is not brought to the market. The second distinction corresponds to the difference between unincorporated and incorporated business, or between small industry and industry. The third distinction has already been mentioned. Its consequences can usefully be described by the following elementary input-output table. (Table 1)

Market industries cannot produce services for collective and public consumption (education, judiciary, etc.), non-market industries cannot produce investment goods and inventories, neither can public services be imported. It is here convenient to draw attention to the difference between the industries producing collective and public services and collective and public consumption. Industries VIII and IX from our classification scheme produce collective services, but collective consumption is only that part of output of collective services which is financed out of collective funds. In other words, collective consumption C is equal to the output of housing and communal economy, educational, cultural, medical and social welfare activities minus the services of the same industries paid by individual consumers directly and by business enterprises. It follows that personal consumption represents all goods and services (except public services) bought directly by individual consumers *qua* consumers. Personal consumption and collective consumption represent what is known as the level of living. As such they have welfare content. By contrast, public consumption has no welfare content. It is therefore identified with public services (industry X).

Direct import of goods and services can be treated in two ways: either as in the table above (symbols in brackets) or by channelling imports to industries producing the same output and then distributing imports with the output of these industries. The second, less informative, procedure has been adopted by Yugoslav statistics, as shown in Table 2.

If we now look up the working organizations account in the Appendix, we shall see that the material components of personal, collective and public consumption are derived from items $X_{12} + C_1$ in the table and non-material components from items $C_2 + C_2^c + C_2^p - X_{12}$.

Item X_{21} deserves special attention. In the working organizations account it appears as payments to the non-market sector (in A) and market sector purchases (in B). This item represents an intermediary consumption and still it

2. Cf. B. Horvat, *Društveno računovodstvo za jugoslavensku privredu* (*Social Accounting for the Yugoslav Economy*), Yugoslav Institute of Economic Research, Beograd, 1964.

TABLE I

INPUT-OUTPUT RELATIONS BETWEEN MARKET AND NON-MARKET INDUSTRIES

To whom / From whom		Intermediary Consumption 1	2	Σ	Personal Consumption C	Collective consumption C^c	Public consumption C^p	Investment and inventories J	Exports E	Final consumption Σ	Total consumption T
Market industries	1	X_{11}	X_{12}	$X_{1.}$	C_1	—	—	J_1	E_1	X_1	T_1
Non-market industries	2	X_{21}	X_{22}	$X_{2.}$	C_2	C_2^c	C_2^p	—	E_2	X_2	T_2
Produced inputs	Σ	$X_{.1}$	$X_{.2}$	$X_{..}$							
Value added		V_1	V_2	V							
Imports		M_1	M_2	M	(C_M)	(C_M^c)	—	(J_M)	(E_M)	(X_M)	T_M
Total available		T_1	T_2	T	C	C^c	C^p	J	E	X	T_T

TABLE 2

INPUT-OUTPUT RELATIONS BETWEEN MARKET AND NON-MARKET SECTORS IN YUGOSLAVIA IN 1964 Billions of dinars

To whom / From whom		Intermediary Consumption 1	Intermediary Consumption 2	Intermediary Consumption Σ	Personal consumption	Collective consumption	Public consumption	Investment	Increase in inventories	Export	Residual error	Final consumption	Total consumption
Market sector	1	5.841	529	6.370	2.866	—	—	2.038	762	926	97	6.689	13.059
Non-market sector	2	73	69	142	119	612	769	—	—	10	32	1.542	1.684
Produced inputs	Σ	5.914	598	6.512	2.985	612	769	2.038	762	936	129	8.180	14.743
Value added		6.055	1.041	7.096									
Import		1.090	45	1.135									
Total available		13.059	1.684	14.743									

must be included in the production account in order to balance its two parts separately. One may add that there is also a virtue in including this transaction in the final output of each sector separately. One of the basic principles of social accounting says that the accounting scheme should be such that sheer organizational changes in no way change the value of the output recorded. Now, consider a case where a manufacturing firm finances its own school (police, medical service, research institute). The wages of the teachers are included in the value added of the firm. Next, consider the consequences of a labouristic socialization drive, whereby teachers are transferred to the government budget. Since the budget has to get money from somewhere, it will get it (taxes) from the firm whose value added (material output) remains unchanged. But now the salaries of the teachers (non-material output) suddenly appear as a net addition to the government product. In the accounting system described in this paper teachers will always be located in the non-market sector. Thus, no organizational changes can affect the value of output. In our system, the firm which finances education—either through its own school or by paying to an independent school—does it directly, i.e. its production account is debited and the account of the non-material sector is credited. An alternative procedure would be to locate teachers always outside the business sector as before, but to *impute* transactions between the business sector and the government and then to let government finance education. This procedure would seemingly eliminate the intermediary transaction between market and non-market sectors. Since another important accounting rule says that imputations be minimized and transactions recorded as they actually occur, the first alternative—counting intermediate production as value added—is to be preferred.

It has already been pointed out that interest payments represent transfers. Thus a firm in the market sector does not pay interest to the bank in the non-market sector but to the community which is outside the production sphere. The community then buys services of the working collectives of the banks. Interest paid by one bank to another bank is treated in a slightly different manner. For a productive establishment interest paid or received represents a part of the value added; not so for a bank. Thus mutual interest payments among the banks are cancelled out and only net interest payment of the entire banking sector is transferred to the Community account.

In the non-market sector there are no subsidies since, by definition, there is no market price which could serve as a standard for value. Thus no subsidies are deducted from gross income on the left hand side of the account.

Input-Output Tables

The construction of input-output tables has become a very specialized subject. In the present context I intend to raise only two questions: the first concerns the classification of industries and the second the treatment of export and import prices.

An input-output table represents a breakdown of the working organizations account by industries. For analytical and planning purposes it is highly desirable for the transactions matrix to have a triangular (block triangular) form. In that case the general interdependence of transactions can be reduced to a causal chain and each block can be treated separately observing only a definite sequence of industries. A separate study[3] has shown that it is empirically possible and operationally convenient to group industries into vertically integrated complexes which appear as blocks on a diagonal of a triangular transaction matrix. There appear to be nine such blocks in the material sector. The inclusion of the non-material (non-market) sector in the table increases the value of statistical information but adds very little to the precision of input-output computations. The reason for this is that the rows of non-market industries are mostly empty, while the columns can be transferred to the final product section of the table. This procedure is used by Yugoslav statistics. In such a case an input-output table will be comparable to the market part of the working organizations account.

One of the social accounting rules says that transactions should be recorded at the purchase or sales price. Thus indirect taxes and subsidies will be computed separately, the latter being deducted from the value added. The application of this rule would require that exports and imports be computed at the world market prices which are different, sometimes very different, from the prices on the internal market. However, an input-output rule says that transactions be computed so as to make input coefficients as stable as possible, and the value of output proportional to its physical content. Thus it will be desirable to apply uniform, i.e., domestic, prices for all transactions. The two procedures conflict not only because imports and exports will be expressed in different values but also because the value added will differ as well. Clearly, it is possible to achieve full formal consistency by computing accounts and input-output tables in the same way. But this would impair their operational efficiency. In having to choose between formal consistency and operational efficiency, I prefer the latter. In that case we have only to provide translation equations for transforming the values of one scheme into the values of the other. Thus, exports minus export taxes plus export subsidies yield exports expressed in domestic prices. Similarly, imports plus customs duties and indirect taxes yield domestically priced inputs in the input-output table. Finally, the value added in an input-output table increased for various import taxes and reduced for net export subsidies yields the correct value added of the production account.

Financial Flows Accounts

The financial flows reflect the specific features of the institutional arrangements of an economy better than any other part of the social accounting system. That is why there is much less uniformity in treating financial flows as compared with real flows and why there are difficulties in integrating them into a single consistent framework.

The financial flows accounts have six different parts. The first part records real flows and is comparable to social product accounts. Apart from the manner

3. Cf. B. Horvat, *Primjena medjusektorske analize u planskom bilanciranju privrede* (*The Application of Input-Output Analysis in Planning*), Yugoslav Institute of Economic Research, Beograd, 1963.

of presentation, there are two main differences: transfers are all summed up, instead of being partly netted out as in social accounts, and intermediate output and trade turnover is added in order to get the grand total of all transactions performed in an economy. This gross turnover can be usefully employed in analyzing the transaction demand for money in the economy.

The second part records investment transactions. It matches investments and savings and thus serves as a link between the real flows and the financial flows parts of accounts.

Financial transactions, recorded in the third part, serve to redistribute sector surpluses and finance sector deficits. It may be of some interest to enumerate the types of financial transactions:

1. Financial surplus or deficit (balancing item of investment transactions)
2. Money
   (*a*) Currency
   (*b*) Demand deposits
   (*c*) Float
3. Other liquid deposits (quasi-money)
   (*a*) Savings and other deposits without time limit not used for payments
   (*b*) Restricted deposits up to one year (e.g. reserve funds of the working organizations)
   (*c*) Time deposits up to one year
4. Time deposits
   (*a*) Restricted deposits beyond one year
   (*b*) Time deposits beyond one year
5. Securities
   (*a*) Treasury bills
   (*b*) Other short-term securities
   (*c*) Government bonds
   (*d*) Other bonds
   (*e*) Other long-term securities
6. Direct credits of working organizations
   (*a*) Credits of working organizations (commercial and consumer)
   (*b*) Other direct credits (e.g. to the government at all levels)
7. Short-term bank credits
8. Investment loans
   (*a*) Banks
   (*b*) Other financial institutions (e.g. investment loan funds)
9. Financial transfers
10. Foreign exchange transactions
    (*a*) Gold and foreign exchange
    (*b*) Long-term loans
    (*c*) Short-term credits
    (*d*) Foreign exchange accounts of households

The financial balance-sheet, representing the fourth part of the accounts, has the same items as current financial transactions.

The fifth part is a link between investment and nominal financial transactions, on the one hand, and the national wealth balance sheet. The adjustment items consist of capital gains and losses and changes in material wealth.

The sixth and last part is a balance-sheet of national wealth. The fifth and sixth parts have not been computed as yet and so do not appear in the table in the Appendix.

Financial accounts are recorded for seventeen institutional sectors enumerated in the following list:

I. Working organizations:	1. Market Sector
	A. Collective Sector
	B. Individual Sector
	2. Non-market Sector
II. Households:	3. Households
III. Community:	4. Social Organizations and Government
	A. Social Organizations (political, religious, etc.)
	B. Government
	(*a*) Budgets
	(1) Federal
	(2) State
	(3) Local
	(*b*) Loanable Funds
	(1) Federal
	(2) State
	(3) Local
	5. Financial Institutions
	A. Banks
	(*a*) National Bank
	(*b*) Commercial Banks
	(*c*) Investment Banks
	B. Insurance and Other Financial Institutions
	(*a*) Social Insurance
	(*b*) Insurance Bureaus and other Financial Institutions
IV. Rest of the World:	6. Rest of the World

Direct comparability with the social product accounts is evident. The market sector is disaggregated into collective and individual subsectors ("corporate" and "family" business) because of the different institutional and behavioural characteristics of these two sectors. Apart from this distinction, the only other difference with respect to social product accounts is shown by the sector Community which is subdivided in a series of subsectors. This is what one would expect, taking into account the general redistributive function of the Community and the fact that redistribution is carried out by means of financial transactions. I may add just three more comments. Budgets include narrowly defined government budgets—which, in the Yugoslav setup, are used to finance administrative expenses and for fiscal interventions—and various special purpose funds (for education, etc.). Investment loans funds (for under-developed regions, for housing, etc.) are government funds, but by their functions they are less budgetary and more financial institutions similar to other financial institutions. This institutional facet provides an additional reason for grouping the government and the financial institutions together in a sector called Community. Finally, the commercial and the investment bank is often the same institution, but even when conducting both activities under the same roof it is obliged by law to separate short-term and investment credits and treat them in very different ways. The idea behind this separation is that the commercial banks create and annihilate money, while the investment banks redistribute a given volume of accumulation.

Other Accounts and Tables

The fourth group in our integrated system represents the Social Balance Sheet with two tables: the national balance sheet by industries and a breakdown of social wealth by industries and by categories.

Apart from accounts, in each group there are a certain number of additional tables which expand the information of the corresponding accounts. There are altogether forty accounts and tables, and the whole system is shown in the Appendix.

For planning purposes two more groups of accounts and tables are needed, namely regional accounts and natural (physical, nonmonetary) balances. There is already a certain experience in preparing and using physical balances and regional accounts, but systematic study in this field has not been undertaken as yet. That is why groups 5 and 6 in the Appendix have not been articulated into separate accounts and tables.

Le système est basé sur les cinq principes suivants:

(1) Les producteurs de biens et services sont des organisations de travail, qui représentent des groupes de gens (ou des individus) organisés en vue de gagner leur vie en produisant les biens et les services qui satisfont les besoins individuels et collectifs. Commerce ou gouvernement, profit ou pas de profit, enregistrées ou non, toutes les organisations de travail sont traitées de la même façon.

(2) Etant donné que les comportements des secteurs de marché et de ceux qui ne le sont pas diffèrent considérablement, ces deux secteurs sont nettement séparés à travers tout le système de comptabilité. La comptabilité de production (les organisations de travail) a deux postes, correspondant aux secteurs avec et sans marché.

(3) Il y a quatre activités de base: (*a*) production, (*b*) consommation, (*c*) investissement et (*d*) redistribution des revenus. Ces quatre activités appellent quatre comptes séparés: (*a*) organisations de travail, (*b*) ménages, (*c*) communauté (incluant les institutions gouvernementales et certaines non-gouvernementales) et (*d*) accumulation. Le cinquième compte, "reste du monde", a pour rôle d'assurer l'équilibre.

(4) Les activités et les transactions ont les mêmes classifications (avec des points de séparation différents); cela permit de confronter parfaitement les comptes du produit social et des flux financiers.

(5) Le système tend a obtenir un maximum de flexibilité analytique. Certaines de ces possibilités peuvent être aperçues à partir de la classification des industries:

A. Secteur de Marché (materiel): (1) Agriculture, (2) Sylviculture, (3) Mines et Manufactures, (4) Construction, (5) Transports, (6) Commerce et Alimentation, (7) Artisanat.

B. Secteur sans Marché (non-materiel): (8) Logement et Economie Communale, (9) Education, Culture, et Sécurité Sociale, (10) Organisations Sociales de Services Publics (Politiques, religieuses, etc. . . .), Finances et Assurances, Administration Publique, Services Judiciaires, et Défense Nationale. Le Secteur A correspond à la définition materielle de produit social. Les deux secteurs A et B correspondent à la notion de comptabilité national sociale. En outre les industries 1–4 correspondent au secteur des biens de production; 5–7 aux services de marché; 8–9 aux services publics avec un contenu de bien-être social; 10, aux services publics intermédiaires, 5–10 à tous les services.

APPENDIX

YUGOSLAV SOCIAL PRODUCT ACCOUNTS IN 1964*

In billions of dinars

I WORKING ORGANIZATIONS

Market			
1. Net personal income	2366	11. Personal consumption —material	2888
2. Contributions from personal income	966	12. Collective consumption —material	208
3. Undistributed profits and depreciation	1348	13. Public consumption —material	299
4. Contributions to the community	1605	14. Gross fixed investment in the market sector	1320
5. Payments to the non-market sector	73	15. Gross fixed investment in the non-market sector	718
6. Minus: Subsidies	230	16. Addition to inventories in the market sector	748
		17. Addition to inventories in the non-market sector	14
		18. Export	926
		AVAILABLE FOR CONSUMPTION	7121
		19. Minus: Import	1090
		20. Errors and Omissions	97
SOCIAL INCOME I	6128	SOCIAL PRODUCT I	6128
Non-market			
7. Net personal income	474	21. Personal consumption —non-material	97
8. Contributions from personal income	307	22. Collective consumption —non-material	404
9. Undistributed profits and depreciation	170	23. Public consumption —non-material	470
10. Contributions to the community	90	24. Consumption of the market sector	73
		25. Export	10
		AVAILABLE FOR CONSUMPTION	1058
		26. Minus: Import	45
		27. Errors and Omissions	32
SOCIAL INCOME II	1041	SOCIAL PRODUCT II	1041
TOTAL SOCIAL INCOME	7669	TOTAL SOCIAL PRODUCT	7669

*Statistical estimates have been made by Mr. Zoran Popov of the Yugoslav Institute of Economic Research.

II Households

1. Personal consumption —material	2888	6. Net personal income from the market sector	2366
2. Personal consumption —non-material	97	7. Net personal income from the non-market sector	474
3. Contributions to the community	193	8. Transfers of the community	516
4. Transfers to the rest of the world	2	9. Transfers from the rest of the world	38
5. Savings	214		
PERSONAL EXPENDITURES AND SAVINGS	3394	PERSONAL INCOME	3394

III Community

1. Collective consumption —material	208	9. Contributions from personal incomes in the market sector	966
2. Collective consumption —non-material	404	10. Contributions from personal incomes in the non-market sector	307
3. Public consumption —material	299	11. Contributions from profits in the market sector	1605
4. Public consumption —non-material	470	12. Contributions from profits in the non-market sector	90
5. Subsidies to the market sector	230	13. Contributions of households	193
6. Transfers to households	516	14. Transfers from the rest of the world	14
7. Transfers to the rest of the world	0		
8. Surplus	1048		
EXPENDITURES AND SURPLUS	3175	RECEIPTS OF THE COMMUNITY	3175

IV The Rest of the World

1. Export from the market sector	926	6. Import to the market sector	1090
2. Export from the non-market sector	10	7. Import to the non-market sector	45
3. Transfers to households	38	8. Transfers of households to the rest of the world	2
4. Transfers to the community	14	9. Transfers of the community to the rest of the world	0
5. Balance of payments deficit	150	10. Errors and omissions	1
RECEIPTS FROM THE REST OF THE WORLD	1138	PAYMENTS TO THE REST OF THE WORLD	1138

V ACCUMULATION

1. Gross fixed investment in the market sector	1320	8. Undistributed profits and depreciation in the market sector	1348
2. Gross fixed investment in the non-market sector	718	9. Undistributed profits and depreciation in the non-market sector	170
3. Addition to inventories in the market sector	748	10. Savings of households	214
4. Addition to inventories in the non-market sector	14	11. Surplus of the community	1048
5. Errors and omissions (I Market)	97	12. Balance of payments deficit	150
6. Errors and omissions (I Non-market)	32		
7. Errors and omissions (IV)	1		
GROSS INVESTMENT	2930	GROSS ACCUMULATION AND DEFICIT	2930

FINANCIAL FLOWS ACCOUNTS FOR 1964 (BILLIONS OF DINARS)

Transactions	I Working Organizations: Market		I Working Organizations: Non-market		II Households		III Community: Social organizations & Government		III Community: Financial Institutions		IV Rest of the World		Total	
	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources
A. *Nonfinancial Transactions*														
1. Intermediate output and trade turnover	11317	11317	576	576									11893	11893
2. Net personal incomes	2366		474			2840							2840	2840
3. Transfers	2578	237	298	1	197	556	551	2427	478	1031	52	2	4254	4254
4. Payments of market to non-market sector	73			73									73	73
5. Personal consumption		2888		97	2985								2985	2985
6. Collective consumption		208		404			374		238				612	612
7. Public consumption		299		470			638		131				769	769
8. Import and export	1090	926	45	10							936	1135	2071	2071
9. Gross savings and investments	1348	2800	170		214		864		184		150		2800	2930
10. Residual errors		97		32								1	130	
Gross turnover	18772	18772	1663	1663	3396	3396	2427	2427	1031	1031	1138	1138	28427	28427
B. *Investment Transactions*														
1. Gross savings		1348		170		214		864		184		156		2930
2. Unrequited transfer of capital		31		121	20		2431			2299			2541	2451
3. Fixed investment and inventories	2395		357		177								2930	
4. Residual errors		13		40	43		21				1	11	64	64
5. Financial surplus or deficit		1003		26		26		1588	2483		160		2643	2643
Total	2383	2383	357	357	246	240	2452	2452	2483	2483	161	161	8088	8088
C. *Financial Transactions*														
1. Financial deficit or surplus	1003		26		26		1588			2483		160	2643	2643
2. Money	171		72		46		−66		149	375	3		375	375
3. Quasi-money	23		28		34		83		3	124	−47		124	124
4. Time deposits	68		−1		2		−3		52	118			118	118
5. Securities	20		2		12		12	21		25			46	46
6. Direct business credits	306	297	5				16	23	3	−30		40	330	330
7. Short-term bank credits		161		−6		8107		70	442	110			442	442
8. Investment loans (gross)		1321		74		25	−1540	72	3032				1492	1492
9. Repayment of investment loans	270		12		5		6	127		166			293	293
10. Financial transfers							1	−211		211		1	1	1
11. Foreign exchange transactions	−9	73	3		7		86	141	12	61	240	64	339	339
12. Unclassified transactions, errors & omissions				79				−60	103	153	69		172	172
Net increase of assets and liabilities	1852	1852	147	147	132	132	183	183	3796	3796	265	265	6375	6375
D. *Financial assets and liabilities*														
1. Money	1085		165		230		381		309	2194	24		2194	2194
2. Quasi-money	489		193		180		178		77	1438	321		1438	1438
3. Time deposits	121		8		21		22		71	243			243	243
4. Securities	31		3		27		19	41		39			80	80
5. Direct business credits	1799	1471	5				16	212	3	50		90	1823	1823
6. Short-term bank credits		2151		47		421		750	3572	203			3572	3572
7. Investment loans		4646		274		115	2033	136	3138				5171	5171
8. Foreign exchange liabilities	116	285	3		7			636	204	229	950	130	1280	1280
9. Unclassified items, errors and omissions			56				442		97	505		90	595	595
Total assets and liabilities	3641	8553	433	321	465	536	3091	1775	7471	4901	1295	310	16396	16396

*Statistical estimates have been worked out by Dr. D. Dimitrijević of the National Bank of Yugoslavia and Mr. Z. Popov of the Yugoslav Institute of Economic Research.

An Integrated System of Social Accounts (40 Accounts & Tables)

1. Social Product Accounts:	Working Organizations Market, Non-market	Households	Community	Rest of the World	Accumulation
Additional Tables: (Balances)	Gross turnover by elements, sources and ownership	Personal income distribution	Financing non-profit organizations	Foreign trade matrix by regions and commodities	Capital formation and its financing
	Balance of goods and services	Personal and collective consumption	Revenues and outlays (budgets and funds)		
2. Input-Output Tables:	Transactions matrix			Matrix of import content	Matrix of fixed assets
	Technical coefficients			Import coefficients	Investment matrix
	Full coefficients			Full import coefficients	Capital coefficients
3. Financial Flows:	Collective Sector Individual Sector Non-Profit Sector	Households	Social Organizations	Rest of the World	(In each sector)
			Government Financial Institutions		
Additional Table:	Matrix of financial transactions				
4. Social Balance Sheet (Social Wealth)					National Balance sheet Social Wealth

5. Regional Social Accounts and Balances
6. Natural Balances